

The Conference Board MANAGEMENT RECORD

JULY, 1942

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National Industrial Conference Board, Inc.

VOL. IV, No. 7

Company Military Service and State Guard Policies

MILITARY SERVICE and civilian defense policies are among the newest developments in industrial relations. These policies have been created by companies for the purpose of protecting their employees' rights and privileges while they are serving in the defense of America, either in the armed forces or in the various civilian defense activities.

THE CONFERENCE BOARD has just completed a study¹ which deals largely with problems arising out of the absences of employees while performing defense duties. Compensation during these absences, their effect upon seniority, the granting of leaves of absence, and assurances of reemployment are among the problems analyzed. The results of this investigation are based upon replies from 232 companies employing approximately 1.6 millions. Some of the highlights of this study are discussed in the following pages.

COMPANY MILITARY SERVICE POLICIES

The Selective Service and Training Act defines in general terms the employment safeguards for men serving in the armed forces and their rights to future participation in benefit plans created by the company for the welfare of employees. Because these provisions of Section 8 of the Act are necessarily vague, many concerns have considered it wise to regulate the extent to which employees on military leave share in company benefits, and retain seniority and other privileges.

With the declaration of war on a world-wide front, it became evident that the conflict would be prolonged and that a great many more men would be withdrawn from industry to serve in the Army and Navy. Most company military service policies which had previously been based upon a peacetime military training period

¹THE CONFERENCE BOARD, Studies in Personnel Policy No. 44, "Company Policies Regarding Military and Civilian War Service"

of a definite length required revision to meet the problems arising out of this new situation. Three-fourths of the policies included in this investigation were adopted or revised after the United States entered the war.

Eligibility Requirements

Although the Selective Service Act bars temporary employees from its job protection provisions, nearly half of the plans studied extend eligibility to all employees irrespective of their service records. In the remainder of the policies, a relatively short employment record ranging from three months to one year is required for participation. Only four concerns surveyed definitely exclude employees hired since a specified date.

Early company policies applied to draftees and to members of the National Guard. With the extension of the reemployment benefits of the Selective Service Act to all persons entering military and naval service, eligibility for participation in company benefits has also been widened to include employees who enlist for the duration (75% of the companies) and employees who join a branch of the service for the regular term of enlistment (53%).

Leaves of Absence and Seniority

In compliance with the provisions of the original Act, early plans usually granted to eligible employees military leaves of absence for a period of one year and forty days. Now that the period of military service has been extended indefinitely, the company usually provides for an indefinite leave of absence.

Inducted employees receive full continuous service credit for the duration of their military leave under nine-tenths of the policies studied. In the remaining tenth, seniority is retained as of the date on which the employee departed. Most companies restate the provi-

sions of the law in assuring inducted employees that they will be reemployed.

Military Service Allowance

To ease the transition from civilian to army life, many companies are giving their employees certain monetary payments over and above the regular earnings due them when they are inducted into service. A trend noted in the present survey is that a larger proportion of the companies (56%), is now giving military allowances than the 36% found to be the case in the first survey made in 1940 by THE CONFERENCE BOARD. There are wide variations in these military bonuses, as they range from a lump-sum payment of one week's full pay to regular instalments equivalent to 10% of their company pay for an indefinite period. The military allowance most frequently made is one month's full wage or salary given at the time of departure.

A comparison of the extra compensation provisions of the 1942 policies with those of the 1940 survey reveals several trends. The policy of providing an allowance equivalent to the difference between normal company pay and the Army pay is less prevalent now, 18%, than in 1940, when approximately half of the plans with military allowance provisions followed this practice. This change in procedure is due in part to the amount of clerical work involved in ascertaining and certifying the amount of each individual's Army pay.

Another trend noted is the increase in the number of plans which graduate the amount of extra compensation on the basis of length of service. A third trend is the reduction in the size of the bonus payments. In the first study, two-fifths of the plans with these provisions were found to be granting an allowance of all or part of the employee's regular income for three months, while nearly a quarter paid a portion of normal income for the entire year. In the 1942 survey of THE CONFERENCE BOARD, approximately 70% of the plans with extra compensation provisions granted a bonus ranging from one week's to two months' pay, while only a tenth gave a military allowance for extended periods of six months or a year.

Military Allowances for Executives

Usually, all classes of eligible employees participate in the military allowance provisions on the same basis, whether they are wage earners, salaried workers or executives. Only 6 out of 221 concerns reported that executives might receive different treatment. Even in these companies, no definite formula had been developed, as each case was considered individually.

Other Significant Features

A new development in military service policies is the payment of benefits to dependents of men called to

service. This policy has not as yet attained widespread acceptance, as only 14 out of 221 companies are granting these benefits.

The employee inducted into military service usually receives the vacation pay due him if the company has a formal vacation-with-pay plan. Of the 157 companies which give vacations to rank-and-file employees, 74% follow this practice. Ordinarily, the amount of vacation pay given is in accordance with the company's vacation-with-pay regulations.

With the declaration of war, some insurance companies cancelled insurance protection for men in service while others raised the premium rates to prohibitive levels. As a result of these actions, most concerns have been forced to discontinue group insurance for inducted men. Of the 139 companies which previously provided free group life protection, fifty-six (40%) are purchasing an equivalent amount of National Service Life Insurance for varying periods.

There is no prevailing method of paying for the employee's government insurance. In some companies the employee is given a check for the annual premium when he leaves; in others he is repaid upon return to work; in a number of concerns checks are sent to employees at regular intervals. Only a few are paying the premium directly to the United States Veterans' Administration.

STATE GUARD POLICIES

When the National Guard was mobilized for active service in 1940, many states organized State or Home Guards to take their places. Members of the Guard are subject to call to meet emergencies on the home front, and may be required to serve at a time when they would normally be at work. Approximately a third of the companies included are paying employees during their State Guard absences, while two-fifths are not. A quarter of these concerns have not as yet developed a definite policy covering this contingency.

There are wide variations in company policies regarding the proportion of normal earnings paid to employees absent on Guard duty and the length of time during which compensation is given. State Guard absences, under present conditions, are likely to be of fairly short duration, and accordingly a fifth of the concerns which pay such compensation give all or part of the normal income throughout the period of absence. The remainder provide that in the aggregate the number of such absences paid for may not exceed a specified number throughout the year. The maximums most frequently found are: regular pay for two weeks, 7 companies; difference between company pay and State Guard pay for two weeks, 8 companies; difference for one month, 6 companies.

Unlike the military service bonus which is usually given only once, the State Guard payments are ordinarily on an annual basis. In three companies, an em-

ployee is entitled to a specified number of weeks' pay for both State Guard and military service allowances. If the employee receives payment for State Guard absences, this amount is deducted from his normal military service allowance if he later enters the regular armed forces.

Participation in the State Guard compensation provisions is open to all employees in nearly two-thirds of the policies studied. The remainder require relatively short service records before an employee is eligible to

participate. It is the usual practice of companies to continue the employee on the active payroll during absences due to National Guard duties. A number of concerns are following the provisions of their military service policies in promising job protection, granting leaves of absence and permitting employees to accumulate seniority rights during these absences.

F. BEATRICE BROWER
Management Research Division

Protection of Seniority in the Industrial War Effort

THE PLACING of virtually all industry on a war footing has created many problems involving the rights of employees. One of these has to do with the seniority status of those who migrate to, or are commandeered for work in, essential war production. It is of very great importance both to the employee and to management that a solution be found to this problem.

The maintenance of seniority ranking is of the utmost importance to the worker because it represents one of his major defenses against job insecurity. In many cases he is loathe to forfeit his seniority in return for a somewhat larger pay envelope for an uncertain period of time. This is a definite deterrent to labor mobility.

Dr. Frederick H. Harbison,¹ in his observations on seniority policies, came to the conclusion that from industry's point of view, the advisability of maintaining seniority status depends largely upon whether or not the particular manufacturer is engaged in vital war work. If he is engaged in essential industry, seniority acts as a brake on the flow of labor into such work. Whereas, the manufacturer not yet carrying on an all-out war production schedule views it as an equalizing force in a dislocated labor market.

Highly skilled employees have been loaned, under certain circumstances, from one firm to another to meet a critical situation which might cause a bottleneck in vital work. In these cases most of the men have continued to accumulate seniority with their original company during their employment with another firm.

USE OF DISLOCATED LABOR

Statements of policy have been drawn up on an industry-wide basis by the OPM, forerunner of the War Production Board, and by the WPB covering the Automobile, Rubber and Farm Equipment industries. These three industries are the ones which, up to the present time, have been most subject to dislocations of labor

¹Frederick H. Harbison, "Seniority Policies and Procedures As Developed Through Collective Bargaining," Industrial Research Section of Princeton Univ., 1941.

due to plant conversion and the non-availability of raw materials except for war purposes.

Under the conditions of the policy statements, workers who are laid off or are in plants engaged in civilian production where lay-offs are imminent are able to maintain and accumulate seniority with their original company through a process of certification by the plant where they are engaged on defense work. To facilitate this work, the standard form entitled "Certification of Hire for Defense Work," illustrated herein, is filled out in quadruplicate in order to provide the employee, the certifying employer, the former employer, and the federal employment service with the necessary information to protect the seniority of the worker. This form, provided by the employment service, is being used extensively by the major industries mentioned to re-allocate their manpower in war work.

These men are, however, subject to recall by their former company if it becomes engaged in defense work and the skilled craftsman can be used at his maximum skill. The right of recall places the hiring firm in a tight spot because a key man can be withdrawn on short notice without an adequate substitute being available. Thus, some companies have hesitated to hire qualified workers laid off by other firms because of immediate conditions, for fear that these men would be recalled by the firm where they have seniority. This results in qualified workers of long-standing being idle while less skilled workers from distant areas are accepted for employment.

Certain changes for the purpose of rectifying this anomalous situation have been accomplished recently in connection with the automotive industry. Under the redraft of the plan, employees are divided into two categories: Class A; made up of workers whose previous training and skill make it possible for them to aid war production without the need for additional training. These men are subject to recall upon thirty days' notice by their original employer if they wish to retain their

OSES-NDP-18

RE:.....
(Code Classification)

CERTIFICATION OF HIRE FOR DEFENSE WORK

.....
(Seniority Date)

To..... This is to certify that as of.....
(Name of company or corporation) (Date)

we have employed on defense work.....
(Name of Person)

whose home address is..... Social Sec. No.....

as a..... formerly employed
by your firm as a.....
(Name of skill or classification)

..... By:.....
(Name of Company) (Title of person in charge of personnel or employment.)

NOTICE TO THE WORKER WHO ACCEPTS A DEFENSE JOB

To protect your SENIORITY RIGHTS, it is necessary and to your advantage to see that this notice is prepared by your defense employer and a copy sent to the employer with which original seniority was acquired. You should also make certain that your new employer furnishes you with a copy of this notice which you should either turn over to your union or keep for your own record.

ORIGINAL—To Employee

seniority standing. Class B; composed of workers who have to be trained to perform satisfactorily in war production. These men are not subject to recall and their seniority accrues for the duration. It is felt that this action will alleviate the present unsatisfactory condition.

The naming of the War Manpower Commission has focused attention on the seniority problem because of the possibility of some form of labor allocation. As the industrial effort is intensified there will be more and more emphasis placed on shifting manpower to those jobs where the workers' skill will contribute most to military production.

The Honorable Paul V. McNutt, Chairman of the Commission, in an article in the June issue of *Factory Management and Maintenance*¹ comes to the conclusion that some form of labor priorities seems inevitable.

COVERING CLAUSES IN UNION AGREEMENTS

Many union agreements contain military service clauses defining the seniority rights of employees called into active service. Relatively few contracts, however, provide any similar protection for those engaged on the all-important industrial front. Contracts coming up for renewal may well have added to their military serv-

¹*Factory Management and Maintenance*, "How America Must Use Its Manpower," by Paul V. McNutt, June, 1942.

ice clauses or leave of absence provisions a supplementary section covering employees transferred to war work.

At present, the trend in those contracts containing provision for the transfer of employees into war industries is toward the drawing of a line of demarcation between those who voluntarily leave to go into war work and those whose services are commandeered or requested by a government agency. This differs from the way in which men who leave for military service have their seniority protected. In the latter case, both volunteers and selectees are protected in the same manner. Typical of these clauses is the following:

Employees who are drafted or volunteer for military service in the armed forces of the United States or who are drafted in defense production by the United States, shall be granted a leave of absence for the duration of such military or defense production service and they shall be reinstated to their respective jobs with full seniority rights provided that application for reinstatement is made within forty (40) days after discharge from said military or defense production service and providing that said applicant is physically able to fill the position.

WM. BARNES O'CONNOR
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Selective Service Administration

Occupational Bulletins

SELLECTIVE SERVICE Headquarters issues from time to time *Occupational Bulletins* for the guidance of local boards in the matter of granting occupational deferments.¹ Each Bulletin covers an industry or a group of occupations. So far such Bulletins have been issued for eleven industries or groups, as follows:

1. Civilian Pilots Employed by the Air Corps Flying Training Command
2. Public Health Service Reserve
3. Marine Pilots
4. Coal Production Activity
5. Railroad Transportation Activity
6. Ship Construction Activity
7. Coastal, Intercoastal and Offshore Water Transportation Activity
8. Civil Aeronautics Administration Civilian Pilot Training Program
9. Electric Power Activity
10. Scientific and Specialized Personnel
11. Pre-theological Students

Bulletin No. 10 points out that certain persons trained and skilled in scientific and specialized fields are in a position to perform vital service in activities essential to the support of the war effort. The National Roster of Scientific and Specialized Personnel has certified to the Director of Selective Service a list of occupations that are considered "critical," qualification for which requires a high degree of training and skill in the particular fields. It has further certified that there are serious shortages of qualified persons to fill these occupations in activities necessary to the support of the war effort. Accordingly, the Director of Selective Service directs that "full consideration for occupational classification should be given to all persons trained, qualified or skilled in these critical occupations and who are engaged in activities necessary to war production or essential to the support of the war effort." Occupations included in this list are the following:

- Accountants
- Chemists
- Economists
- Engineers:
 - Aeronautical Engineers
 - Automotive Engineers
 - Chemical Engineers
 - Civil Engineers
 - Electrical Engineers
 - Heating, Ventilating, Refrigerating, and Air Conditioning Engineers

- Marine Engineers
- Mechanical Engineers
- Mining and Metallurgical Engineers, including Mineral Technologists
- Radio Engineers
- Safety Engineers
- Transportation Engineers—Air, Highway, Water
- Geophysicists
- Industrial Managers
- Mathematicians
- Meteorologists
- Naval Architects
- Personnel Administrators
- Physicists, including Astronomers
- Psychologists
- Statisticians

It is also recognized that many are now in training for these occupations who should be considered for occupational classification. Until a man has almost completed two years in a recognized college or university he is not believed to have demonstrated his potential ability to qualify for one of the critical occupations. Thereafter, however, he may be deferred if he is pursuing a course of study that will give him the necessary training and skill, if he is acceptable for continuing such course and shows promise of ability to complete it, and if he will undertake actual further classroom work within a period not exceeding four months from the close of his second year.

A graduate student who is pursuing further studies in one of these specialized fields, after having completed the normal four academic years, may be considered for occupational classification if he is also a "graduate assistant" and, therefore, is engaged in instructing undergraduate students in these scientific and specialized fields, or if he is engaged in scientific research in furtherance of the war effort.

It is recognized that there is likely to be a certain lapse of time after completed undergraduate or graduate study before a man locates a position where he can practice his profession in an activity necessary to war production or essential to the support of the war effort. It is accordingly provided that when such a man has been deferred in order that he may complete his training and preparation, he shall be allowed no more than sixty days to engage in a critical occupation in an activity necessary to war production or essential to the support of the war effort, provided that during that period he makes an honest and diligent effort to secure such a position.

Bulletin No. 11 deals with pre-theological students. Ordained ministers of religion and students in recog-

¹See *The Management Record*, June, 1942, p. 173.

nized theological and divinity schools are exempt from military training and service under the Selective Training and Service Act of 1940. The Selective Service System now finds a shortage of men in colleges and universities who intend to study for the ministry upon graduation. Recognizing the wish of Congress to preserve religious guidance and education, provision is made for occupational classification of pre-theological students under certain circumstances.

In the main, the requirements are similar to those outlined in *Bulletin No. 10* regarding evidence of the student's serious intention to become skilled in his profession and demonstration of his ability to complete his training successfully. Thus, he may become eligible for occupational classification in the third and fourth years of his college or university training.

One special provision applies to pre-theological students. The Director of Selective Service suggests that "it is advisable" to secure two certificates with regard to such students, one from a recognized theological school showing that upon the registrant's successful completion of his prerequisite academic studies he will be accepted and enrolled in the school. The other certi-

ficate should be obtained from a recognized church, religious sect or religious organization to show that the registrant is pursuing his prerequisite academic studies in a recognized university or college under the direction and supervision of such recognized religious organization.

Distribution of Occupational Questionnaires to Those in Fourth Registration

Local boards are instructed to start mailing Occupational Questionnaires (Form 311) to men who registered in the fourth registration (Group 4, Ages 45 to 64 inclusive) as soon as they have completed mailing such questionnaires to Groups 1 and 2. The procedure followed in connection with Group 4 questionnaires will be generally similar to that followed with other groups, except that routine connected with classification and assignments of order numbers is omitted, since men in Group 4 are not subject to military service. Occupational Questionnaires for Group 4 are to be kept entirely separate from those of other registration groups, and the National Headquarters' coupon will be sent to the Bureau of the Census.

Comments on Management Problems

A POLL OF THE VIEWS OF EXECUTIVES OF REPRESENTATIVE COMPANIES ON MATTERS OF TIMELY INTEREST

POINT 1. What is your reaction to the suggestion of the War Manpower Commission that it may freeze essential workers in critical war industries to their present jobs to stop labor pirating? Do you think this would be helpful or harmful to the over-all objective?

The opinion that freezing of essential war workers to their jobs would be undesirable predominated by a ratio of about two-to-one. A number of reasons were given for this belief. In the first place, it was considered un-American and a distinct infringement on personal liberty. Pirating of labor was held to be highly undesirable but not as bad as the proposed remedy. The effect on employees would be bad. The resentment at being deprived of freedom to decide where they would work would probably result in reduced effort and lost production. Freezing workers to their jobs was considered impracticable from an administrative standpoint, apart from any other objections. To police such a system would be very costly and could not be more than partially successful. Moreover, it was maintained, if all highly skilled men were frozen to their present

jobs, it would be impossible for any newly established companies or units to secure the skeleton force of highly skilled men which would be necessary as a basis for eventually developing a trained working force.

Alternatives short of freezing were suggested. One of these was to freeze wages and, consequently, remove much of the incentive to change employment in quest of a higher rate. A weakness in this argument obviously is that companies with wages frozen at a level lower than in some other industries or plants would find it impossible to make compensating adjustments in rates and might, therefore, lose a large part of their working force. A second alternative suggested was a voluntary agreement to require an employee to present a clearance from his former employer before being accepted for employment elsewhere.

On the other hand, some companies felt that freezing of essential workers was the only answer to extreme labor mobility and to the practice, by companies that could afford to offer high rates, of stealing necessary men from other companies which had to operate on a narrower margin. This view was held particularly by

companies whose product was important in the war effort but which did not manufacture actual munitions and were at a considerable disadvantage in holding key employees necessary for their operations.

A few comments on this subject were:

Freezing an employee in his job even though he be an essential worker is, to my mind, a most undemocratic and un-American procedure. I feel that labor generally would resent this treatment and that even if it could be applied without undue friction there would be no net gain resulting therefrom.

We believe it is dangerous to freeze workers to their jobs even in critical war industries. Labor pirating is bad, but it is worse to get into the habit of eliminating personal liberty, and such power given to a government agency is likely to prove all too permanent.

Freezing of essential workmen, in my opinion, would not be conducive to harmonious relationships, although it would stop the inflationary spiral caused by increasing of wage rates in order to obtain workmen. I think it would not be helpful to the over-all objective to freeze personnel. I think that if a man wants to make a change he should be free to do so. I think also that once industry recognizes that women must be used in productive capacities, the present tight situation, insofar as labor is concerned, will be relieved. I don't think the impact of halting of non-essential production has yet been felt, and I feel that, as a great many more plants and services go out of their normal activities, the labor supply of men in the upper age brackets, men with dependents, and of women may be ample, although the unknown factor, of course, is "How big is the Army going to be?"

I believe that it will be necessary to freeze essential workers in war industries, not, perhaps, to stop labor pirating but to stop men from taking jobs and leaving them practically overnight. Our labor turnover is high at present and it is primarily due to voluntary quits by new employees.

In this area (western Massachusetts) voluntary action on the part of both local managements and local unions is doing a lot to prevent labor pirating. We feel that the results are satisfactory on this basis. We also know of a few cases in which draft boards have refused deferments for obvious "floaters" regardless of skill and experience of the individuals. We feel that such action is more desirable, both from the union and the management viewpoint, than government freezing of essential workers.

POINT 2. Have you established any standard to determine in what cases deferment should be asked when employees are classified under Selective Service, such as availability of replacements, length of training period required, special knowledge possessed by the employee, etc.? If so, would you please indicate what standards determine whether or not an employee is regarded as a "necessary man."

Apparently more companies treat each possible defer-

ment case individually than have established definite criteria by which a man's importance to the company's operations is determined as a basis for decision whether or not to request deferment. However, even when cases are judged individually there is often a more or less standardized set of qualifications that the employee must meet in order to rate a deferment request. Speaking generally, the practice appears to be to request deferment for technical men, such as engineers of various types, because of the extreme shortage of such skills, but to ask for deferments for manual workers only in cases where it is impossible to replace the combination of skill and experience that the individual possesses.

Policy varies with regard to the period necessary for training a replacement in connection with considering a man as "necessary." Frequently this is "over six months." One company mentioned eight months, another six to nine months, two companies a year, and one company two years.

Two companies have committees to pass on all such cases and no deferment will be asked until such action has been recommended by the committee. In two companies individuals acted in the same capacity. Thus, in one company with many plants no deferment could be requested unless approved by the executive vice president of the company. In the other case, a man with long experience in the company and familiar with all its operations approved or disapproved all requests for applications for deferments.

Comments on this subject included the following:

We have made a list of our critical jobs and have divided them into four categories as follows:

- (1) job which requires more than 2 years to learn
- (2) job which requires more than 1 year and less than 2 years to learn
- (3) job which requires more than 6 months and less than 1 year
- (4) job which requires less than 6 months

Wherever there is an immediate replacement available and it appears that the loss of the man called will not retard operations in the future, we do not ask for deferment regardless of the category in which he falls. However, since only a limited number of replacements are available in category No. 1, we consider most of them necessary men. In category No. 2 there are usually more available replacements so that it is only in the unusual case where we ask for deferment originally and we ask for the second only when we have been unable to train a proper replacement. In categories No. 3 and No. 4, we ask for deferment only when the demands are so heavy that proper training cannot be done to make replacements.

All requests for occupational deferments within this corporation are reviewed by a Deferment Committee which, in reality, acts as a local board and debates the merits of each and every case. The personnel of this com-

(Continued on page 227)

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FOUNDED 1916

JULY, 1942

FACT AND COMMENT

A Union Reports

Last month Mr. David Dubinsky, President of the International Ladies Garment Workers Union, reported to his General Executive Board on the progress the union had made during the last ten years. He explained that during that period membership in the union had risen from 40,000 to 310,000; that the number of locals had increased from 40 to 325; that the financial status of the union had changed from two million dollars in the red to nine million dollars in the black.

He could justly view such progress with satisfaction. The important and significant point to an outsider, however, is that he sees no good reason why this information should not be revealed—why the members of the organization and the public at large should not be informed about the union's operations.

Ever since some of the strongest international unions attained a size, position and power that made them jointly, or even individually, important factors in the economic, political and social structure of the nation, there have been repeated demands that these organizations give an accounting of their stewardship. It was argued that a corporation was no more morally bound to report to its stockholders what use had been made of their money than was a labor union to give similar information to its members.

Organized labor, however, has generally strongly opposed all proposals that unions be required to

incorporate and file financial statements. It has been maintained that unions were organizations of a special character which should not be held accountable in the usual way; that proposals for incorporation were put forward only by those with an anti-union bias and with the intention of hampering union expansion and subjecting organized labor to unnecessary controls. And yet, had financial statements been required of labor organizations, those members of unions who have persistently petitioned for an accounting of union funds would have had their interest satisfied, and certain unions would have been spared the public exposure of the dishonesty of some of their officers whose exploitation could prosper only under conditions that required no accounting of their activities.

Demands for union incorporation have persisted and now are coming even from Congress. Early this year, the House Committee on Naval Affairs, in its preliminary report to Congress covering an investigation of the naval defense program, made this recommendation:

The committee recommends that suitable legislation be enacted requiring all labor unions (along with other special interest groups) to register with a suitable governmental body and to furnish pertinent information concerning their officers, members and financial condition at periodic intervals.

The Committee's studies brought out the fact that the receipts of 117 of the 162 national and international unions during a period of eighteen months amounted to \$81,000,000. It hardly seems unreasonable to urge that so large an amount of money drawn from the wage earners of the country be accounted for.

In establishing in 1935 its policy of making annual financial reports to members, the I.L.G.W.U. set an example worthy of widespread emulation. Such action by organized labor generally would go far toward creating public confidence in the honest administration of union affairs and in the responsiveness of labor leadership to its members.

Monthly Review of Labor Statistics, May-June, 1942

THE IMPACT of OPA price regulations upon cost of living items made itself clearly evident in June. According to THE CONFERENCE BOARD index of changes in the cost of living in the United States, there was no change in such costs between May and June. Increased food prices (0.4%) were offset by declines of 0.6% in retail prices of clothing, and 0.1% in housing, fuel and light, and sundries.

Near-term Outlook

A clue to probable near-term movements in living costs lies in these changes. Food, the only major budget item to include a large number of commodities *not* subject to ceiling regulations, continued its upward trend. The other items, almost entirely regulated, declined. These declines, however, presumably represent the major adjustment to March price levels. In the future, it would seem reasonable to suppose that prices of these commodities would either remain unchanged or fluctuate in a narrow range just under the ceiling. Therefore, those food prices free to fluctuate can readily rise and thus cause living costs to resume their upward tendency.

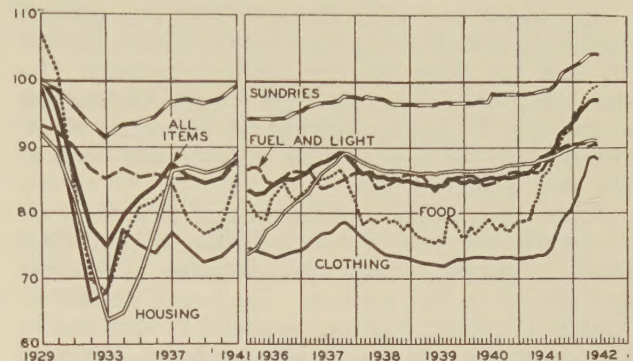
Changes Since November, 1940

Up to June, the cost of living had increased in each month since November, 1940. The month-to-month advances ranged from 0.1% to 1.6% and averaged 0.7%.

Changes by Cities

As might be expected, variations among individual cities occurred as usual. In fifty of the sixty-seven cities

COST OF LIVING IN THE UNITED STATES
Index Numbers 1923 = 100



for which data are available, living costs rose between May and June. No change occurred in two, and there were declines in fifteen. These changes arranged in order of magnitude are shown in the table at the bottom of this page. The two largest advances were 1.2% in Erie and 1.0% in Flint. In both instances they were due almost entirely to sharp advances in food prices.

From June, 1941, to June, 1942, all cities showed rises ranging from a low of 7.3% in Kansas City to a high of 16.2% in Oakland. The median rise, 10.5%, occurred in Roanoke.

WAGE-RATE CHANGES

Data reported to THE CONFERENCE BOARD on the number of wage-rate increases and the percentage of

PERCENTAGE CHANGES IN THE COST OF LIVING IN 67 CITIES, MAY TO JUNE, 1942

Source: THE CONFERENCE BOARD

City	Percentage Change	City	Percentage Change	City	Percentage Change	City	Percentage Change
Erie, Pa.	+1.2	Lynn	+0.6	Cleveland	+0.3	Roanoke, Va.	0
Flint, Mich.	+1.0	Rochester	+0.6	Des Moines	+0.3	Akron	-0.1
Lewistown, Pa.	+0.9	Toledo	+0.6	Lansing	+0.3	Birmingham	-0.1
New Haven	+0.9	Wausau, Wis.	+0.6	Muskegon	+0.3	Chattanooga	-0.1
Providence	+0.9	Youngstown	+0.6	Saginaw, Mich.	+0.3	Parkersburg, W. Va.	-0.1
Rockford, Ill.	+0.9	Front Royal, Va.	+0.5	St. Louis	+0.3	Houston	-0.2
Bridgeport	+0.8	Manchester, N. H.	+0.5	San Francisco	+0.3	Memphis	-0.2
Dallas	+0.8	Spokane	+0.5	Trenton	+0.3	Detroit	-0.3
Newark	+0.8	Evansville, Ind.	+0.4	Minneapolis	+0.2	Macon	-0.3
Oakland	+0.8	Fall River	+0.4	Denver	+0.1	Philadelphia	-0.3
Chicago	+0.7	Omaha	+0.4	Duluth	+0.1	Cincinnati	-0.4
Indianapolis	+0.7	Richmond	+0.4	Los Angeles	+0.1	Grand Rapids	-0.4
Joliet, Ill.	+0.7	Sacramento	+0.4	Louisville	+0.1	New York	-0.4
Meadville, Pa.	+0.7	Wilmington, Del.	+0.4	New Orleans	+0.1	Seattle	-0.5
Milwaukee	+0.7	Baltimore	+0.3	Pittsburgh	+0.1	Portland, Ore.	-0.8
Syracuse	+0.7	Boston	+0.3	St. Paul	+0.1	Kansas City, Mo.	-0.9
Anderson, Ind.	+0.6	Buffalo	+0.3	Atlanta	0		

workers affected in twenty-five manufacturing industries in May, indicate that the largest number of workers since September, 1941 were affected, and that the average increases compared favorably with those granted since the peak level during the second quarter of 1941.

The largest average increases, 10.3%, were granted to workers in both the machine and machine tool industry and the other foundry products industry. In descending order, the next largest wage-rate changes averaged 10.1% in the electrical manufacturing industry, 9.8% in the meat packing industry, and 9.5% in the wool industry.

From the standpoint of the number of workers affected, however, none of these industries was in the top group, although an appreciable number of workers was affected in each instance. The largest number of workers to receive wage-rate increases in May was in the leather tanning and finishing industry, where it equaled 31.2%, followed by 27.7% in the agricultural implement industry, and 24.5% in the boot and shoe industry.

It should be remembered in using these data that they are based upon the sample of companies reporting to THE CONFERENCE BOARD and are not necessarily all-inclusive for these companies, in view of the fact that some increases that were granted may not have been reported.

Rate Changes in Foundries and Machine Shops

Although the percentage of workers receiving wage-rate increases so far this year in foundries and machine shops has varied considerably among the several branches, the size of the average increase each month has been remarkably consistent.

During the five months January to May, 1942, wage-rate increases in the foundry industry ranged from 5.6% to 11.5%, and averaged 7.0% per month. In the machine and machine tool industry, the range was 6.6% to 10.3%, and the average was 8.0%; in the heavy equipment industry, the range was 5.6% to 9.3%, and the average 8.0%; in the hardware and small parts industry, the range was 5.5% to 9.8%, and the average was 7.3%; and in the other foundry products industry, the range was 5.8% to 10.3%, and the average was 7.6%.

The picture for the number of workers affected was quite mixed. On an average monthly basis, 3.8% of the foundry workers were granted increases, 7.2% in the machine and machine tool industry, 1.7% in the heavy equipment industry, 8.7% in the hardware and small parts industry, and 2.5% in the other foundry products industry. Within these averages, however, the ranges ran from a low of 0.3% of the workers affected in the heavy equipment industry during May, to 23.7% of the workers in the hardware and small parts industry affected in March.

ROBERT A. SAYRE

Division of Industrial Economics

Earnings, Hours, Employment and Payrolls in Manufacturing

HOURLY AND WEEKLY earnings and payrolls reached new peak levels in May, according to THE CONFERENCE BOARD's regular monthly survey of twenty-five manufacturing industries. Employment and man hours, on the other hand, declined slightly from the highs attained in April. "Real" weekly earnings were at the highest level ever recorded in these surveys. The average length of the work week declined slightly, but still remained well above the depression low.

THE AUTOMOBILE INDUSTRY

THE CONFERENCE BOARD indexes of earnings and hours in the automobile industry, or more properly the automotive war production industry, have been revised from January, 1941 to date. This revision was occa-

sioned by the fact that the data furnished to THE CONFERENCE BOARD by the Automobile Manufacturers Association were changed for this period.

The regular tables in this report show figures for April and May of 1942, and the following table covers December, 1941, and January, February, and March, 1942. Data for earlier months showed only minor deviations from those originally published, hence are not given here. They are available upon request.

As included in these statistics, the automobile industry covers all manufacturing activities in motor vehicle and body plants, as well as all manufacturing activities carried on in new war plants operated by motor vehicle and body companies. It does not include plants producing parts and equipment or other miscellaneous items such as refrigerating or air-conditioning equipment.

REVISED EARNINGS AND HOURS IN THE
AUTOMOBILE INDUSTRY

	December 1941	January 1942	February 1942	March 1942
<i>All Wage Earners</i>				
Hourly Earnings.....	\$1.186	\$1.251	\$1.244	\$1.246
Weekly Earnings.....	\$43.41	\$54.17	\$54.49	\$56.69
Actual Hours ¹	36.6	43.3	43.8	45.5
Nominal Hours ¹	40.1	40.3	40.7	41.0
Index Numbers, 1923=100..				
Hourly Earnings.....	187.7	197.9	196.8	197.2
Weekly Earnings.....	144.0	179.7	180.8	188.1
Real Weekly Earnings....	154.5	190.2	190.1	195.7
<i>All Male Wage Earners</i>				
Hourly Earnings.....	\$1.215	\$1.234	\$1.280	\$1.281
Weekly Earnings.....	\$44.59	\$55.98	\$56.45	\$58.67
Actual Hours ¹	36.7	43.6	44.1	45.8
<i>All Female Wage Earners</i>				
Hourly Earnings.....	\$.807	\$.810	\$.768	\$.785
Weekly Earnings.....	\$28.65	\$31.91	\$30.80	\$33.05
Actual Hours ¹	35.5	39.4	40.1	42.1
<i>Male—Unskilled</i>				
Hourly Earnings.....	\$1.070	\$1.102	\$1.108	\$1.088
Weekly Earnings.....	\$38.52	\$47.50	\$50.64	\$49.50
Actual Hours ¹	36.0	43.1	45.7	45.5
<i>Male—Skilled and Semi-Skilled</i>				
Hourly Earnings.....	\$1.235	\$1.309	\$1.303	\$1.307
Weekly Earnings.....	\$45.45	\$57.20	\$57.20	\$59.86
Actual Hours ¹	36.8	43.7	43.9	45.8

¹Per week per wage earner

TRENDS SINCE BEGINNING OF WAR

From the beginning of World War II to May, all of the labor statistics series showed steady advances, with the exception of a slight setback in the first four or five months of 1940. The inauguration of the Defense Program marked the beginning of strong upward trends in many of the series. As all series did not move similarly, the following is a detailed analysis of trends in the rates of increase of each series.

Hourly earnings from the start of the war until the middle of 1940 advanced from 0.3% to 0.4% per month. During the first three months that marked the beginning of the Defense Program there was little change in hourly earnings. In October, however, there was an 0.3% increase and in November an increase of 0.4%. In December, 1940, hourly earnings rose 0.7%, and since that time there has been an increase of 0.7% or more each month with the exception of July, 1941, and February, 1942. Increases of 2% occurred in April, May, June and September, 1941. The average monthly increase of 0.9% for the first five months of 1942 is only slightly less than the 1.1% average monthly increase for 1941, despite unusually high increases for some months in 1941 and efforts to curtail increases in 1942.

Average hours per week advanced sharply, following the outbreak of the war, but declined early in 1940. Since June, 1940, the trend has been generally upward, though erratic, averaging 1.0% per month for the last seven months of 1940, 0.3% per month in 1941, and 0.5% for the first five months of 1942.

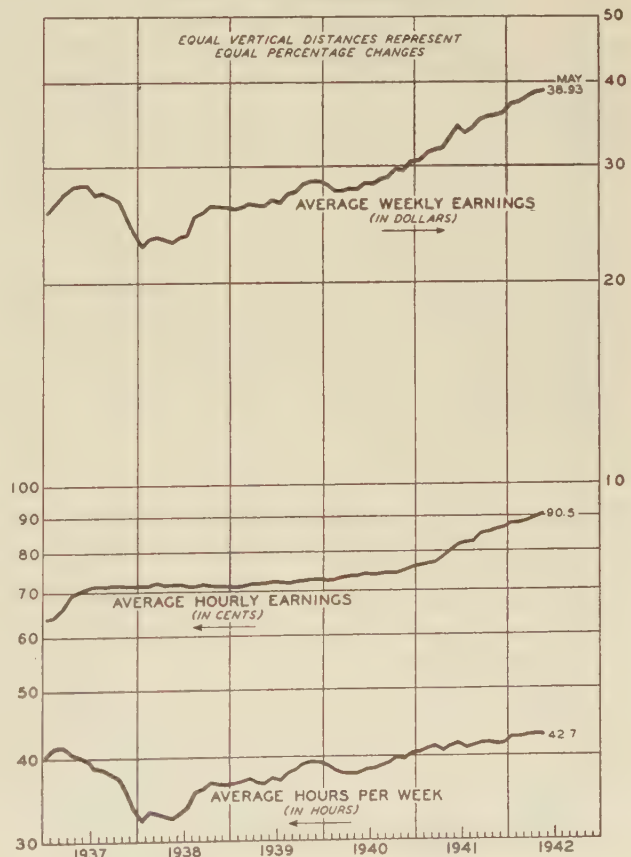
The gradually increasing length of the work week has accounted in part for the steady increase in hourly earnings by causing increased overtime and premium payments, but the widespread wage-rate increases of the past two years have been a more important factor. This is evidenced by the fact that although the rate of increase of hours worked has declined, the rate of increase of hourly earnings has risen and remains high.

Weekly earnings, like hours, rose sharply and then declined from the start of the war to the beginning of the Defense Program in June 1940. Since then the rate of increase has been substantial, though not steady, and has shown a gradual upward trend. In the last seven months of 1940 the average increase was 1.3% per month; in 1941, 1.5%; and in the first five months of 1942, 1.6%. The greatest single increase was 4.2% in January, 1942.

Employment followed the general trend from September, 1939, to June, 1940, with a net average gain of 1.2% per month. From June to the end of 1940 the average increase was 2.1% per month. In 1941, the

EARNINGS AND HOURS IN TWENTY-FIVE MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD



EARNINGS, HOURS, EMPLOYMENT, PAYROLLS, ALL WAGE EARNERS, 25 MANUFACTURING INDUSTRIES

NOTE: Hourly earnings are not wage rates because they include overtime and incentive payments

Date	Average Hourly Earnings	Average Weekly Earnings	Average Actual Hours per Week per Wage Earner	Average Nominal Hours per Week per Wage Earner	Index Numbers, 1923=100							
					Hourly Earnings		Weekly Earnings		Actual Hours per Week per Wage Earner	Employment	Total Man Hours	Payrolls
					Actual	Real	Actual	Real				
1941 May.....	\$.799	\$33.12	41.3	40.4	147.7	169.0	124.5	142.4	83.9	118.1	99.1	147.0
June.....	.818	34.26	41.7	40.5	151.2	170.8	128.7	145.4	84.8	120.7	102.4	155.3
July.....	.822	33.70	41.0	40.5	151.9	170.9	126.6	142.4	83.3	122.3	101.9	154.8
August.....	.828	34.10	41.2	40.6	153.0	171.1	128.1	143.3	83.7	123.0	103.0	157.6
September.....	.845	35.10	41.6	40.6	156.2	172.0	131.9	145.3	84.6	125.3	106.0	165.3
October.....	.853	35.65	41.7	40.6	157.7	171.4	134.0	145.7	84.8	126.7	107.4	169.8
November.....	.860	35.74	41.5	40.6	159.0	171.2	134.3	144.6	84.3	127.4	107.4	171.1
December.....	.868	36.08	41.6	40.7	160.4	172.1	135.6	145.5	84.6	126.8	107.3	171.9
1942 January.....	.878	37.47	42.4	40.8	162.3	171.7	140.8	149.0	86.2	127.9	110.2	180.1
February.....	.880	37.53	42.4	40.9	162.7	171.1	141.0	148.3	86.2	128.8	111.0	181.6
March.....	.888	38.14	42.7	41.0	164.1	170.8	143.3	149.1	86.8	130.0 _r	112.8 _r	186.3 _r
April.....	.896 _r	38.68 _r	42.8	41.0	165.6 _r	170.5 _r	145.4 _r	149.7 _r	87.0	131.5 _r	114.4 _r	191.2 _r
May.....	.905	38.93	42.7	41.3	167.3	171.9	146.3	150.4	86.8	130.9	113.6	191.5

r Revised

EARNINGS AND HOURS, ALL WAGE EARNERS, MAY, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	Average Earnings				Average Hours per Week per Wage Earner			
	Hourly		Weekly		Actual		Nominal	
	May	April	May	April	May	April	May	April
Agricultural implement.....	\$.989	\$.968	\$42.49	\$41.40	43.0	42.8	42.8	42.8
Automobile ¹	1.239	1.242 _r	55.63	56.14 _r	44.9	45.2 _r	41.0	41.0
Boot and shoe.....	.671	.664	25.89	25.93	38.6	39.1	40.4	40.4
Chemical.....	.936	.920	39.60	37.51 _r	42.3	40.8	40.2	40.1
Rayon and allied products.....	.839	.839	33.10	33.05	39.5	39.4	40.0	40.0
Cotton—North.....	.633	.623	26.12	26.15	41.3	41.6	40.6	40.6
Electrical manufacturing.....	.993	.986	46.20	45.08	46.5	45.7	40.8	40.8
Furniture ².....	.852	.845 _r	37.07	36.49 _r	43.5	43.2	41.0	40.9
Hosiery and knit goods.....	.614	.620	23.18	22.77	37.7	36.7	40.1	40.1
Iron and steel ³	1.011	1.004	38.11	39.86	37.7	39.7	41.1	41.2
Leather tanning and finishing.....	.802	.780	32.94	32.58	41.1	41.7	41.8	41.7
Lumber and millwork.....	.884	.863	36.80	35.22	41.6	40.8	42.0	40.6
Meat packing.....	.811	.813	31.96	31.60	39.4	38.9	40.0	40.0
Paint and varnish.....	.857	.852	35.36	34.87	41.2	40.9	40.0	40.0
Paper and pulp.....	.794	.783	33.58	33.14	42.3	42.4	40.6	40.6
Paper products.....	.733	.728	29.89	29.70 _r	40.8	40.8	40.2	40.2
Printing—book and job.....	.863	.861	35.37	35.35	41.0	41.1	39.8	39.8
Printing—news and magazine.....	1.018	1.001	38.59	38.33	37.9	38.3	39.7	39.7
Rubber.....	1.001	.987	40.18	39.20	40.1	39.7	39.0	38.5
1. Rubber tires and tubes.....	1.113	1.108	44.35	42.81	39.9	38.6	38.6	37.7
2. Other rubber products.....	.851	.834	34.47	34.34	40.5	41.2	39.5	39.5
Silk.....	.624	.623	24.98	26.24	40.0	42.1	40.5	40.5
Wool.....	.765	.754	31.32	30.16	40.9	40.0	40.2	40.1
1. Woolen and worsted goods.....	.750	.741	31.26	30.51	41.7	41.2	40.0	40.0
2. Other woolen products ⁴.....	.796	.779	31.44	29.55	39.5	38.0	40.5	40.3
Foundries and machine shops.....	.979	.969	46.68	46.51 _r	47.7	48.0	43.1	42.6
1. Foundries.....	.957	.947	43.78	43.32	45.8	45.7	42.0	41.9
2. Machines and machine tools.....	.998	.984	51.31	50.32	51.4	51.2	45.2	45.1
3. Heavy equipment.....	1.019	1.009	49.70	48.59	48.8	48.2	43.2	43.1
4. Hardware and small parts.....	.903	.905	41.73	42.04	46.2	46.5	41.1	41.4
5. Other products.....	.971	.962 _r	44.59	45.48 _r	45.9	47.3	42.8	41.3
25 INDUSTRIES.....	\$.905	\$.896 _r	\$38.93	\$38.68 _r	42.7	42.8	41.3	41.0
Cement.....	\$.779	\$.774 _r	\$30.66	\$30.35 _r	39.3	39.2 _r	39.6	39.6
Petroleum refining.....	1.125	1.132	42.26	42.45	37.6	37.5	36.9	36.8
27 INDUSTRIES.....	\$.907	\$.899 _r	\$38.92	\$38.67 _r	42.6	42.7 _r	41.2	40.9

See footnotes on page 216

EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, ALL WAGE EARNERS, MAY, 1942

Index Numbers, 1923=100

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	Average Earnings						Employment		Total Man Hours Worked		Payrolls	
	Hourly, Actual		Weekly									
			Actual		Real							
	May	April	May	April	May	April	May	April	May	April	May	April
Agricultural implement.....	177.9	174.1	154.5	150.5	158.8	155.0	143.4	142.1	124.6	122.9	221.6	213.9
Automobile ¹	196.0	196.5 _r	184.6	186.3 _r	189.7	191.5 _r	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Boot and shoe.....	135.6	134.1	114.6	115.0	117.8	118.4	72.0	95.5	60.9	81.8	82.5	109.8
Chemical.....	185.0	181.8	147.2	139.4 _r	151.3	143.6 _r	161.9	161.9	128.7	124.2	238.3	225.7 _r
Cotton—North.....	142.2	141.1	123.0	123.1	126.4	126.8	50.3	50.8	43.5	44.2	61.9	62.5
Electrical manufacturing.....	174.8	173.6	170.5	166.4	175.2	171.4	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Furniture ²	164.8	163.4 _r	148.6	146.3 _r	152.7	150.7 _r	110.6	112.7 _r	99.7	101.0 _r	164.3	164.9 _r
Hosiery and knit goods.....	160.7	162.3	131.2	128.9	134.8	132.7	99.8	103.4	81.2	82.0	130.9	133.3
Iron and steel ³	169.6	168.5	111.4	116.5	114.5	120.0	133.0	132.9	86.8	91.4	148.2	154.8
Leather tanning and finishing.....	165.0	160.5	142.2	140.7	146.1	144.9	91.6	91.1	79.0	79.8	130.2	128.2
Lumber and millwork.....	186.9	182.5	157.1	150.4	161.5	154.9	69.5	70.1	58.4	57.8	109.2	105.4
Meat packing.....	171.5	171.9	135.8	134.2	139.6	138.2	142.7	138.8	113.2	108.7	193.8	186.3
Paint and varnish.....	160.5	159.6	133.1	131.2	136.8	135.1	146.1	151.6	120.9	124.5	194.5	198.9
Paper and pulp.....	157.5	155.4	128.8	127.1	132.4	130.9	128.3	130.1	104.8	106.6	165.2	165.4
Paper products.....	160.7	159.6	137.2	136.4 _r	141.0	140.5 _r	174.6	178.1 _r	149.6	152.6 _r	239.6	242.9 _r
Printing—book and job.....	132.2	131.9	118.1	118.0	121.4	121.5	113.3	114.9	101.2	102.8	133.8	135.6
Printing—news and magazine.....	146.9	144.4	123.6	122.7	127.0	126.4	121.4	122.9	102.2	104.6	150.1	150.8
Rubber.....	159.9	157.7	143.3	139.9	147.3	144.1	87.8	96.3	78.6	85.3	125.9	134.7
Silk.....	125.8	125.6	108.5	113.9	111.5	117.3	83.9	85.5	72.1	77.4	91.0	97.4
Wool.....	151.5	149.3	130.7	125.8	134.3	129.6	83.4	84.6	71.8	71.2	109.0	106.4
Foundries and machine shops.....	170.9	169.1	164.5	163.9 _r	169.1	168.8 _r	206.5	203.1	198.7	196.6	339.7	332.9 _r
1. Foundries.....	162.2	160.5	147.9	146.3	152.0	150.7	138.0	137.9	125.8	125.5	204.1	201.7
2. Machines and machine tools.....	181.8	179.2	187.9	184.3	193.1	189.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Heavy equipment.....	152.1	150.6	150.5	147.2	154.7	151.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. Hardware and small parts.....	176.4	176.8	168.2	169.4	172.9	174.5	198.6	197.9	189.3	189.8	334.1	335.2
5. Other products.....	173.4	171.8 _r	163.2	166.4 _r	167.7	171.4 _r	221.9	218.6	208.8	211.8	362.1	363.8 _r
25 INDUSTRIES.....	167.3	165.6 _r	146.3	145.4 _r	150.4	149.7 _r	130.9	131.5 _r	113.6	114.4 _r	191.5	191.2 _r

NOTE: No basic 1923 data are available, hence no indexes are given for the following: rubber tires and tubes, other rubber products, woolen and worsted goods, other woolen products, cement, petroleum refining, and "27 Industries." See footnotes on page 216

average dropped to 1.3%, and in 1942 declined to 0.3%. This marked decline is due to many factors, but principally to limitations of plant facilities and exhaustion of the labor force possessing skills needed in manufacturing.

Man hours reflected the trends in employment and the average length of the work week. Up to June, 1940, they rose an average of 1.1% per month; to the end of 1940, 3.1%; in 1941, 1.7%; and in 1942, 0.9%.

The rate of increase of payrolls has declined less rapidly because of the accelerated rate of increase in weekly earnings. To June, 1940 the average monthly increase was 1.4%; to the end of 1940, 3.4%; in 1941, 2.8%; and in 1942, 1.9%.

THE SHIPBUILDING INDUSTRY

Average hourly earnings of male shipyard workers increased again in May, with the common and unskilled laborers receiving 2.9% more per hour in May than in April, and the semi-skilled and skilled receiving 1.9% more per hour. The average increase for all males was 1.8%.

These increases in hourly earnings were accompanied by sharp declines in average worked per week. The average decline for all males was 2.8 hours, or 5.6%; for common and unskilled labor, 1.2 hours, or 2.4%; and for the semi-skilled and skilled group, 3.4 hours, or 6.8%.

Due to the drop in hours worked, average weekly

SHIPBUILDING, MAY, 1942

Source: THE CONFERENCE BOARD

	May, 1942	April, 1942
All Male Wage Earners		
Hourly earnings.....	\$1.120	\$1.100 _r
Weekly earnings.....	\$52.88	\$54.97 _r
Actual hours ¹	47.2	50.0 _r
Nominal hours ¹	47.4	47.4 _r
Unskilled		
Hourly earnings.....	\$.891	\$.866 _r
Weekly earnings.....	\$42.68	\$42.52 _r
Actual hours ¹	47.9	49.1 _r
Semi-skilled and skilled		
Hourly earnings.....	\$1.218	\$1.195 _r
Weekly earnings.....	\$57.12	\$60.11 _r
Actual hours ¹	46.9	50.3 _r

¹Per week per wage earner^rRevised

EARNINGS AND HOURS, MALE AND FEMALE WAGE EARNERS, MAY, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	ALL MALE						FEMALE					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	May	April	May	April	May	April	May	April	May	April	May	April
Agricultural implement.....	\$.993	\$.972	\$42.71	\$41.60	43.0	42.8	\$.763	\$.784	\$30.90	\$30.39	40.5	41.4
Automobile ¹	1.273	1.276 _r	57.67	58.06 _r	45.3	45.5 _r	.792	.791 _r	31.52	32.51 _r	39.8	41.1 _r
Boot and shoe.....	.770	.758	30.55	30.37	39.7	40.1	.553	.546	20.66	20.76	37.4	38.0
Chemical.....	.983	.964 _r	42.12	39.62 _r	42.8	41.1	.631	.633	24.44	24.17	38.7	38.2
Rayon and allied products.....	.903	.900	36.10	36.00	40.0	40.0	.619	.624	23.39	23.25	37.8	37.3
Cotton—North.....	.691	.686	29.55	29.54	42.8	43.0	.561	.555	22.17	22.24	39.5	40.0
Electrical manufacturing.....	1.062	1.052	50.40	48.91	47.5	46.5	.696	.698	29.87	29.36	42.9	42.4
Furniture ².....	.868	.862	37.93	37.41 _r	43.7	43.4 _r	.595	.593 _r	23.63	23.30 _r	39.8	39.3 _r
Hosiery and knit goods.....	.781	.799	32.16	31.43	41.2	39.3	.610	.509	18.73	18.35	36.7	36.0
Iron and steel ³	1.011	1.004	38.11	39.86	37.7	39.7	.....	.....	.....	.....	.....	.....
Leather tanning and finishing.....	.822	.801	34.01	33.70	41.4	42.1	.645	.623	24.90	24.40	38.6	39.2
Lumber and millwork.....	.881	.863	37.02	35.22	42.0	40.8	.....	.....	.....	.....	.....	.....
Meat packing.....	.846	.846	33.53	33.23	39.7	39.3	.646	.644	24.49	23.67	37.9	36.8
Paint and varnish.....	.873	.868	36.14	35.59	41.4	41.0	.613	.603	23.29	23.46	38.0	38.9
Paper and pulp.....	.813	.802	34.61	34.22	42.6	42.6	.548	.539	20.70	20.60	37.7	38.2
Paper products.....	.825	.819	34.64	34.36 _r	42.0	42.0	.525	.525 _r	20.09	20.18 _r	38.3	38.4
Printing—book and job.....	.966	.965	39.80	39.66	41.2	41.1	.553	.550	22.34	22.50	40.4	40.9
Printing—news and magazine.....	1.079	1.063	40.90	40.62	37.9	38.2	.609	.590	23.07	22.99	37.9	39.0
Rubber.....	1.113	1.098	45.79	44.41	41.1	40.4	.703	.692	26.53	26.25	37.7	37.9
1. Rubber tires and tubes.....	1.179	1.170	48.01	46.13	40.7	39.4	.799	.786	28.99	27.57	36.3	35.1
2. Other rubber products.....	.990	.967	41.49	41.05	41.9	42.5	.647	.646	25.01	25.52	38.6	39.5
Silk.....	.702	.690	28.30	29.67	40.3	43.0	.489	.490	19.36	19.87	39.6	40.5
Wool.....	.826	.807	34.27	32.80	41.5	40.6	.652	.641	24.94	23.89	38.3	37.3
1. Woolen and worsted goods.....	.818	.800	33.95	33.01	41.5	41.2	.652	.638	26.14	25.22	40.1	39.5
2. Other woolen products ⁴.....	.836	.816	34.65	32.56	41.5	39.9	.652	.647	22.02	20.95	33.8	32.4
Foundries and machine shops.....	.999	.988	47.97	47.82 _r	48.0	48.4	.663	.651	28.54	27.42	43.0	42.1
1. Foundries.....	.961	.952	44.16	43.69	45.9	45.9	.713	.708	27.64	28.02	38.8	39.6
2. Machines and machine tools.....	1.011	.995	52.39	51.18	51.8	51.5	.707	.717	31.42	32.03	44.4	44.7
3. Heavy equipment.....	1.019	1.009	49.70	48.59	48.8	48.2	.....	.....	.....	.....	.....	.....
4. Hardware and small parts.....	.951	.954	44.79	45.18	47.1	47.3	.648	.645	27.37	27.34	42.2	42.4
5. Other products.....	1.001	.989	46.22	47.37 _r	46.2	47.9	.656	.631	28.46	26.12	43.4	41.4
25 INDUSTRIES.....	\$.965	\$.955 _r	\$42.15	\$41.81 _r	43.5	43.6	\$.592	\$.586	\$23.18	\$22.87	39.0	38.9
Cement.....	.779	.774 _r	\$30.66	\$30.35 _r	39.3	39.2 _r	.....	.....	.....	.....	.....	.....
Petroleum refining.....	1.125	1.132	42.26	42.45	37.6	37.5	.....	.....	.....	.....	.....	.....
27 INDUSTRIES.....	\$.966	\$.957 _r	\$42.06	\$41.73 _r	43.4	43.4 _r	.....	.....	.....	.....	.....	.....

Footnotes given on page 216

earnings for all males declined 3.8%. The semi-skilled and skilled workers experienced the greatest decrease in hours worked, suffering a 5.0% reduction in weekly earnings; the common and unskilled group made a slight gain, despite reduced hours, of 0.4% in weekly earnings.

The decline in hours offsets the possibility that the increases in hourly earnings were due to increased overtime payments. The increases were undoubtedly the result of wage rate increases and the reclassification of labor to higher skilled jobs.

LABOR STATISTICS IN MAY

Hourly earnings continued their strong upward trend, advancing 1.0% from the April levels. The average hourly earnings of \$.905 in May were 13.3% above

those of May, 1941, and 53.4% above the average hourly earnings of 1929.

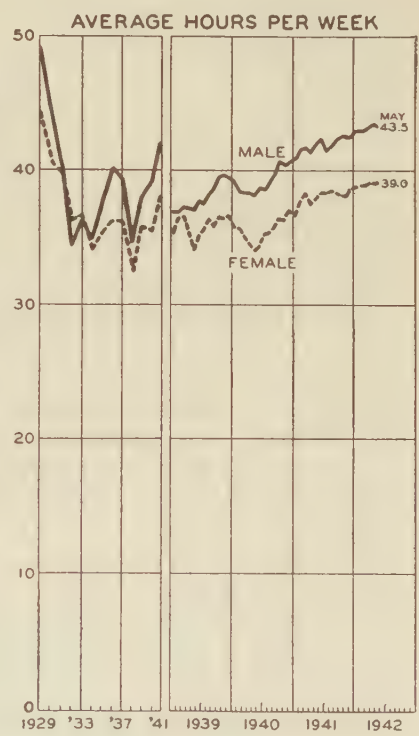
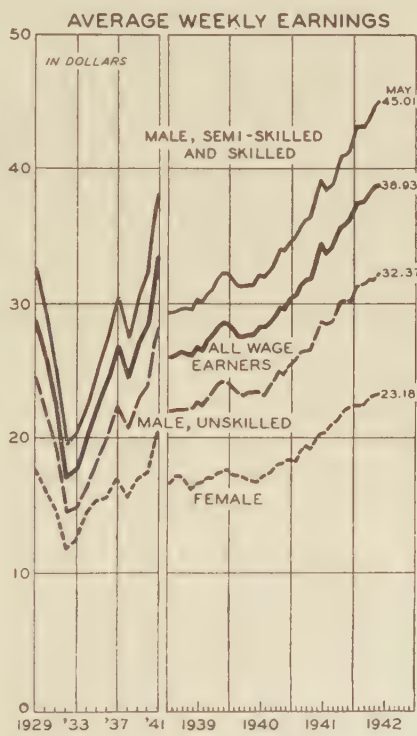
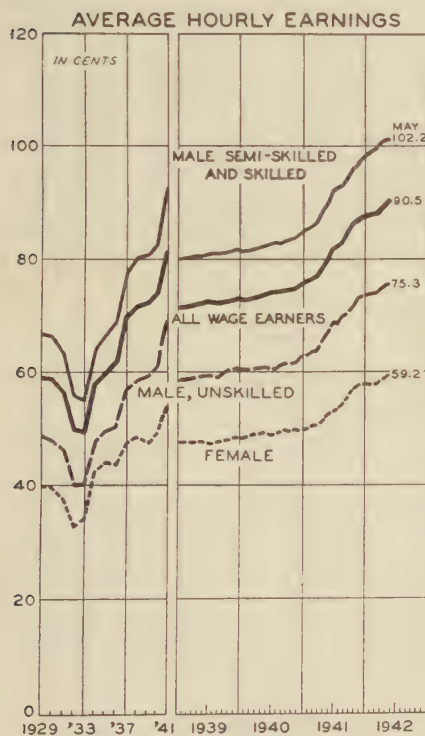
Weekly earnings averaged \$38.93 in May, as compared with \$38.68 in April, or an increase of 0.6%. There was a slight decline in hours worked between April and May preventing the change in weekly earnings from equaling that of hourly earnings. Since May, 1941, however, increased hours worked coupled with increased hourly earnings have caused a rise of 17.5% in weekly earnings. Since 1929, weekly earnings have risen 36.4%.

Average hours worked per week declined slightly, 0.2% or 0.1 hours, between April and May. They averaged 1.4 hours, or 3.4% more than in May of last year and 5.6 hours, or 11.0%, less than the average for 1929.

"Real Weekly Earnings," or dollar earnings adjusted for changes in the cost of living, advanced 0.5% in May

WAGE EARNERS IN TWENTY-FIVE MANUFACTURING INDUSTRIES

Source: THE CONFERENCE BOARD



EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMI-SKILLED MALE WAGE EARNERS, MAY, 1942

NOTE: Hourly earnings are not wage rates, because they include overtime and incentive payments

INDUSTRY	UNSKILLED						SKILLED AND SEMI-SKILLED					
	Average Earnings				Average Hours per Week per Wage Earner		Average Earnings				Average Hours per Week per Wage Earner	
	Hourly		Weekly				Hourly		Weekly			
	May	April	May	April	May	April	May	April	May	April	May	April
Agricultural implement.....	\$.812	\$.798	\$34.10	\$32.92	42.0	41.2	\$1.017	\$.995	\$43.88	\$42.80	43.1	43.0
Automobile ¹	1.086	1.104 ^r	48.00	48.24 ^r	44.2	43.7 ^r	1.299	1.299 ^r	59.10	59.49 ^r	45.5	45.8
Boot and shoe.....	.448	.447	17.34	16.94	38.7	37.9	.783	.771	31.09	30.99	39.7	40.2
Chemical.....	.821	.803 ^r	33.98	32.79 ^r	41.4	40.9 ^r	1.035	1.018	44.84	41.90 ^r	43.3	41.2
Rayon and allied products.....	.637	.635	24.86	24.92	39.0	39.2	.937	.934	37.61	37.46	40.1	40.1
Cotton—North.....	.618	.619	25.58	26.37	41.4	42.6	.719	.713	31.21	30.81	43.4	43.2
Electrical manufacturing.....	.808	.810	36.44	36.45	45.1	45.0	1.090	1.079	52.10	50.39	47.8	46.7
Furniture ².....	.696	.681	30.14	30.24 ^r	43.3	44.4 ^r	.911	.907	39.90	39.09 ^r	43.8	43.1 ^r
Hosiery and knit goods.....	.520	.513	21.59	21.20	41.5	41.3	.810	.831	33.33	32.52	41.1	39.1
Iron and steel ³.....	.763	.755	28.00	28.61	36.7	37.9	1.055	1.048	39.98	41.92	37.9	40.0
Leather tanning and finishing.....	.625	.616	25.10	25.29	40.2	41.1	.863	.839	35.59	35.31	41.2	42.1
Lumber and millwork.....	.656	.647	26.93	26.10	41.1	40.3	.952	.926	40.29	38.46	42.3	41.5
Meat packing.....	.734	.734	29.14	28.48	39.7	38.8	.906	.906	35.97	35.79	39.7	39.5
Paint and varnish.....	.718	.731	30.95	29.53	43.1	40.4	.957	.941	38.76	38.86	40.5	41.3
Paper and pulp.....	.684	.677	28.42	27.78 ^r	41.5	41.1 ^r	.869	.856 ^r	37.47	37.19 ^r	43.1	43.4 ^r
Paper products.....	.650	.647	26.69	26.51	41.0	41.0	.885	.880	37.41	37.22 ^r	42.3	42.3
Printing—book and job.....	.577	.571	24.52	24.38	42.5	42.7	1.095	1.096	44.57	44.39	40.7	40.5
Printing—news and magazine.....	.671	.667	24.93	24.72	37.2	37.1	1.188	1.167	45.28	44.97	38.1	38.5
Rubber.....	.780	.734	30.29	28.48	38.8	38.8	1.128	1.111	46.52	45.02	41.2	40.5
1. Rubber tires and tubes.....	.818	.764	30.50	28.50	37.3	37.3	1.197	1.186	48.95	46.88	40.9	39.5
2. Other rubber products.....	.685	.677	29.67	28.97	43.3	42.8	1.001	.977	41.91	41.45	41.8	42.4
Wool.....	.685	.670	27.24	26.86	39.8	40.1	.893	.875	37.80	35.77	42.3	40.9
1. Woolen and worsted goods.....	.705	.687	28.18	28.01	40.0	40.8	.889	.871	37.81	36.20	42.5	41.6
2. Other woolen products ⁴.....	.646	.640	25.47	24.95	39.4	39.0	.896	.878	37.79	35.36	42.2	40.2
Foundries and machine shops.....	.817	.806	39.26	37.79 ^r	48.0	46.9	1.040	1.026	50.54	50.62 ^r	48.6	49.3
1. Foundries.....	.778	.771	34.87	34.67	44.8	45.0	1.036	1.026	48.09	47.55	46.4	46.3
2. Machines and machine tools.....	.826	.811	42.21	41.71 ^r	51.1	51.5	1.047	1.027	54.96	53.42	52.5	52.0
3. Heavy equipment.....	.826	.818	41.12	37.67	49.8	46.1	1.061	1.048	51.52	50.95	48.6	48.6
4. Hardware and small parts.....	.772	.772	36.54	36.59	47.3	47.4	.968	.973	45.75	46.36	47.2	47.6
5. Other products.....	.855	.834	39.72	38.46	46.4	46.1	1.043	1.025 ^r	49.06	50.91 ^r	47.0	49.7
24 INDUSTRIES ⁵	\$.753	\$.745	\$32.37	\$31.80 ^r	42.8	42.5	\$1.022	\$1.010 ^r	\$45.01	\$44.69 ^r	43.9	44.1
Cement.....	.681	.676	\$25.92	\$26.26 ^r	38.1	38.9	.794	.790 ^r	31.40	\$30.98 ^r	39.5	39.2 ^r
Petroleum refining.....	.861	.867	32.46	33.55	37.7	38.7	\$1.171	1.179	44.03	43.98	37.6	37.3
26 INDUSTRIES ⁵	\$.753	\$.746 ^r	\$32.32	\$31.77 ^r	42.7	42.4	\$1.023	\$1.012 ^r	\$44.88	\$44.57 ^r	43.8	43.9

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD; revised data since Jan. 1941, available upon request.²Includes wood, metal, and upholstered household and office furniture.³Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.⁴Silk and rayon industry not included, as adequate data for unskilled and skilled groups are not available for this industry.⁵n.a. Not available for publication; included in total indexes.^rPrincipally rugs.^pPreliminary^rRevised

because weekly earnings rose 0.6% and living costs rose only 0.2%. The May level was 5.6% above that of May, 1941, and 40.3% above that in 1929.

Employment declined 0.4% in May but still remained 11.5% above that in May, 1941 and 30.4% above that in 1929.

Man hours, due to a decline both in average hours worked per week and in employment, declined 0.6% between April and May. The May level, however, remained 15.3% higher than in May of the previous year, and 15.2% above the average for 1929.

Payrolls, despite decreased employment and man hours, increased 0.3% in May to a new peak, 31.1%

higher than the level of May, 1941, and 77.8% higher than the level of 1929.

Employed manufacturing workers attained a new high weekly return in May of \$38.93 by working 42.7 hours at \$.905 per hour. Their purchasing power was also at the highest level recorded, because the rise in living costs was less than that in either hourly or weekly earnings.

Although employment and man hours declined, manufacturers in twenty-five industries met the largest payroll recorded by this series.

G. CLARK THOMPSON
Division of Industrial Economics

Cost of Living, United States and 68 Cities, June

NO CHANGE was recorded in the total cost of living for families of wage earners and lower-salaried clerical workers in the United States between May 15 and June 15, although each of the principal components that make up the budget either advanced or fell. THE CONFERENCE BOARD's index remained at 97.3 (1923 = 100) on June 15. This level was 9.9% greater than that of a year ago, and 15.8% more than in August, 1939. The cost of food showed the only increase over the month, 0.4%. Declines occurred in every other item, as follows: clothing 0.6%; and housing, the fuel and light group, and sundries each 0.1%. The purchasing value of the 1923 dollar was 102.8 cents in June as,

compared with 113.0 cents a year ago, and 119.0 cents in August, 1939.

The cost of living rose from May 15 to June 15 in 50 of the 67 cities in which THE CONFERENCE BOARD regularly surveys such costs. In two cities, Atlanta and Roanoke, no change occurred, while in 15 other cities declines were recorded. The greatest rise, 1.2%, was in evidence in Erie, Pennsylvania. Since a year ago living costs have increased in all 67 cities for which comparable data are available.

H. S. HILL

Division of Industrial Economics

CHANGES IN THE COST OF LIVING, JUNE, 1942

ITEM	Budgetary Weights ¹	Index Numbers, 1923=100			Percentage Changes	
		June, 1942	May, 1942	June, 1941	May, 1942 to June, 1942	June, 1941 to June, 1942
Food ²	33	99.5	99.1	85.5	+0.4	+16.4
Housing.....	20	91.0	91.1	88.2	-0.1	+ 3.2
Clothing.....	12	88.1	88.6	73.6	-0.6	+19.7
Men's.....	..	97.8	98.0	81.2	-0.2	+20.4
Women's.....	..	78.3	79.1	66.0	-1.0	+18.6
Fuel and light.....	5	90.4	90.5	86.7	-0.1	+ 4.3
Coal.....	..	92.8	92.9	87.1	-0.1	+ 6.5
Gas and electricity ³.....	..	85.7	85.7	85.9	0	-0.2
Sundries.....	30	104.1	104.2	98.6	-0.1	+ 5.6
Weighted average of all items.....	100	97.3	97.3	88.5	0	+ 9.9
Purchasing value of dollar.....	..	102.8	102.8	113.0	0	- 9.0

¹Relative importance in post World War I family budget.

²Based on THE CONFERENCE BOARD indexes of food prices, June 13, 1941; May 15, 1942 and June 15, 1942.

³Based upon retail prices of 35 kilowatt hours of electricity, 1,000 cubic feet of natural gas, or 2,000 cubic feet of manufactured gas.

COST OF LIVING OF WAGE EARNERS IN THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

Index Numbers, 1923 = 100

Date	Weighted Average of All Items	Food	Housing	Clothing			Fuel and Light			Sundries	Purchasing Value of Dollar
				Total	Men's	Women's	Total	Coal	Gas and Electricity		
1941 June.....	88.5	85.5	88.2	73.6	81.2	66.0	86.7	87.1	85.9	98.6	113.0
July.....	88.9	86.2	88.4	73.8	81.4	66.1	87.8	88.7	85.9	98.7	112.5
August.....	89.4	87.3	88.6	74.5	82.0	66.9	88.6	90.0	85.9	98.8	111.9
September.....	90.8	89.4	88.9	76.9	84.8	69.0	89.4	91.1	85.9	99.8	110.1
October.....	92.0	90.7	89.2	78.3	86.2	70.4	90.0	92.0	85.9	101.5	108.7
November.....	92.9	92.2	89.5	79.6	87.3	71.9	90.2	92.4	85.9	101.9	107.6
December.....	93.2	92.6	89.9	80.1	87.8	72.3	90.3	92.5	85.9	102.2	107.3
1942 January.....	94.5	95.2	90.1	82.4	91.4	73.4	90.3	92.6	85.7	102.5	105.8
February.....	95.1	95.7	90.4	84.5	93.6	75.3	90.4	92.7	85.7	102.9	105.2
March.....	96.1	97.5	90.7	85.8	95.2	76.4	90.4	92.8	85.7	103.5	104.1
April.....	97.1	98.8	91.0	88.4	98.3	78.5	90.1	92.3	85.7	104.1	103.0
May.....	97.3	99.1	91.1	88.6	98.0	79.1	90.5	92.9	85.7	104.2	102.8
June.....	97.3	99.5	91.0	88.1	97.8	78.3	90.4	92.8	85.7	104.1	102.8

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 60 CITIES DURING MAY AND JUNE, 1942

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942		June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942
Akron						Chattanooga					
Food.....	130.6	127.2	116.3	+2.7	+12.3	Food.....	139.0	139.5	116.2	-0.4	+19.6
Housing.....	116.2	123.0	116.8	-5.5	-0.5	Housing.....	103.7	103.7	100.5	0	+3.2
Clothing.....	120.8	121.1	98.6	-0.2	+22.5	Clothing.....	117.8	118.1	99.6	-0.3	+18.3
Fuel and light.....	112.5	112.2	108.6	+0.3	+3.6	Fuel and light.....	104.8	103.8	97.5	+1.0	+7.5
Housefurnishings.....	118.8	118.2	100.9	+0.5	+17.7	Housefurnishings.....	121.7	121.7	102.6	0	+18.6
Sundries.....	105.1	105.2	99.9	-0.1	+5.2	Sundries.....	100.7	100.7	97.5	0	+3.3
Weighted Total.....	118.1	118.2	108.7	-0.1	+8.6	Weighted Total.....	115.5	115.6	103.9	-0.1	+11.2
Atlanta						Chicago					
Food.....	125.9	126.4	108.8	-0.4	+15.7	Food.....	124.4	122.8	109.8	+1.3	+13.3
Housing.....	99.2	99.2	97.0	0	+2.3	Housing.....	105.4	104.6	99.9	+0.8	+5.5
Clothing.....	117.8	117.9	99.3	-0.1	+18.6	Clothing.....	122.7	122.4	100.9	+0.2	+21.6
Fuel and light.....	110.6	108.3	96.8	+2.1	+14.3	Fuel and light.....	99.8	98.7	94.3	+1.1	+5.8
Housefurnishings.....	117.7	117.7	102.6	0	+14.7	Housefurnishings.....	125.2	125.6	104.5	-0.3	+19.8
Sundries.....	104.9	105.0	100.8	-0.1	+4.1	Sundries.....	101.8	101.8	99.9	0	+1.9
Weighted Total.....	112.9	112.9	102.5	0	+10.1	Weighted Total.....	112.5	111.7	103.1	+0.7	+9.1
Baltimore						Cincinnati					
Food.....	141.5	140.4	116.7	+0.8	+21.3	Food.....	123.5	125.0	110.9	-1.2	+11.4
Housing.....	108.6	108.6	102.4	0	+6.1	Housing.....	101.5	101.5	99.8	0	+1.7
Clothing.....	120.0	120.2	99.9	-0.2	+20.1	Clothing.....	117.1	117.8	98.7	-0.6	+18.6
Fuel and light.....	106.2	106.2	100.0	0	+6.2	Fuel and light.....	105.6	104.1	99.0	+1.4	+6.7
Housefurnishings.....	129.3	129.3	106.6	0	+21.3	Housefurnishings.....	123.9	124.4	103.8	-0.4	+19.4
Sundries.....	101.8	101.8	100.5	0	+1.3	Sundries.....	104.1	104.1	102.1	0	+2.0
Weighted Total.....	120.3	119.9	106.6	+0.3	+12.9	Weighted Total.....	112.7	113.2	104.1	-0.4	+8.3
Birmingham						Cleveland					
Food.....	134.2	134.0	111.8	+0.1	+20.0	Food.....	127.0	125.3	111.5	+1.4	+13.9
Housing.....	106.5	106.9	103.8	-0.4	+2.6	Housing.....	104.7	105.5	104.3	-0.8	+0.4
Clothing.....	124.4	125.6	102.0	-1.0	+22.0	Clothing.....	126.8	127.5	100.9	-0.6	+25.7
Fuel and light.....	105.8	104.3	96.7	+1.4	+9.4	Fuel and light.....	105.5	105.4	100.5	+0.1	+5.0
Housefurnishings.....	117.9	118.2	105.7	-0.3	+11.5	Housefurnishings.....	118.3	118.7	104.4	-0.3	+13.3
Sundries.....	100.8	100.8	100.0	0	+0.8	Sundries.....	102.6	102.6	101.1	0	+1.5
Weighted Total.....	115.3	115.4	104.4	-0.1	+10.4	Weighted Total.....	114.0	113.7	104.9	+0.3	+8.7
Boston						Dallas					
Food.....	129.6	128.4	108.5	+0.9	+19.4	Food.....	143.0	140.3	109.3	+1.9	+30.8
Housing.....	103.7	103.8	103.0	-0.1	+0.7	Housing.....	104.2	104.2	98.7	0	+5.6
Clothing.....	125.0	126.4	99.8	-1.1	+25.3	Clothing.....	122.5	123.0	100.3	-0.4	+22.1
Fuel and light.....	107.9	107.9	103.2	0	+4.6	Fuel and light.....	85.9	85.9	100.0	0	-14.1
Housefurnishings.....	128.0	128.0	108.6	0	+17.9	Housefurnishings.....	128.1	125.5	106.9	+2.1	+19.8
Sundries.....	103.9	103.9	101.9	0	+2.0	Sundries.....	102.3	102.3	100.5	0	+1.8
Weighted Total.....	116.2	115.9	104.6	+0.3	+11.1	Weighted Total.....	117.6	116.7	103.2	+0.8	+14.0
Bridgeport						Dayton					
Food.....	131.1	127.4	112.2	+2.9	+16.8	Food.....	123.0	121.9	107.3	+0.9	+14.6
Housing.....	108.3	110.1	104.5	-1.6	+3.6	Housing.....	a	a	a	a	a
Clothing.....	120.7	121.1	102.1	-0.3	+18.2	Clothing.....	121.1	121.5	99.2	-0.3	+22.1
Fuel and light.....	107.8	107.8	100.7	0	+7.1	Fuel and light.....	105.3	104.7	102.7	+0.6	+2.5
Housefurnishings.....	126.3	126.3	105.6	0	+19.6	Housefurnishings.....	127.6	127.9	111.3	-0.2	+14.6
Sundries.....	109.3	109.4	100.9	-0.1	+8.3	Sundries.....	102.4	102.5	101.1	-0.1	+1.3
Weighted Total.....	118.4	117.5	105.8	+0.8	+11.9	Weighted Total.....	n.a.	n.a.	n.a.	n.a.	n.a.
Buffalo						Denver					
Food.....	131.9	130.1	115.3	+1.4	+14.4	Food.....	125.1	124.3	113.4	+0.6	+10.3
Housing.....	114.5	115.3	106.8	-0.7	+7.2	Housing.....	104.0	104.0	100.7	0	+3.3
Clothing.....	118.7	119.1	99.2	-0.3	+19.7	Clothing.....	121.7	122.6	100.1	-0.7	+21.6
Fuel and light.....	102.8	102.8	99.4	0	+3.4	Fuel and light.....	103.5	103.4	101.2	+0.1	+2.3
Housefurnishings.....	123.9	123.9	105.0	0	+18.0	Housefurnishings.....	122.5	122.5	101.7	0	+20.5
Sundries.....	103.5	103.5	101.6	0	+1.9	Sundries.....	102.3	102.5	100.6	-0.2	+1.7
Weighted Total.....	117.0	116.6	106.6	+0.3	+9.8	Weighted Total.....	112.5	112.4	104.6	+0.1	+7.6

Footnotes given on page 222

**COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 60 CITIES DURING
MAY AND JUNE, 1942—Continued**

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939 = 100			Percentage Changes		CITY	Index Numbers Jan., 1939 = 100			Percentage Changes	
	June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942		June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942
Des Moines						Houston					
Food.....	141.0	139.9r	121.1	+0.8	+16.4	Food.....	127.7	127.8	109.1	-0.1	+17.0
Housing.....	105.5	105.5	100.1	0	+5.4	Housing.....	105.7	105.6	101.8	+0.1	+3.8
Clothing.....	125.6	125.9	103.9	-0.2	+20.9	Clothing.....	124.8	125.9	101.6	-0.9	+22.8
Fuel and light.....	114.7	114.7	107.0	0	+7.2	Fuel and light.....	92.3	92.3	92.3	0	0
Housefurnishings.....	124.2	123.3	100.7	+0.7	+23.3	Housefurnishings.....	127.2	127.2	104.3	0	+22.0
Sundries.....	101.3	101.3	99.8	0	+1.5	Sundries.....	104.4	104.5	101.7	-0.1	+2.7
Weighted Total.....	119.1	118.8r	107.6	+0.3	+10.7	Weighted Total.....	114.1	114.3	103.4	-0.2	+10.3
Detroit						Indianapolis					
Food.....	125.3	126.2	110.3	-0.7	+13.6	Food.....	135.5	132.1	116.4	+2.6	+16.4
Housing.....	107.5	107.5	104.0	0	+3.4	Housing.....	109.6	109.6	107.5	0	+2.0
Clothing.....	116.6	116.9	98.7	-0.3	+18.1	Clothing.....	119.3	120.2	100.6	-0.7	+18.6
Fuel and light.....	108.8	108.6	106.0	+0.2	+2.6	Fuel and light.....	104.5	104.5	100.2	0	+4.3
Housefurnishings.....	132.9	133.0	109.6	-0.1	+21.3	Housefurnishings.....	112.6	112.6	103.0	0	+9.3
Sundries.....	101.0	101.0	99.6	0	+1.4	Sundries.....	104.9	104.9	102.9	0	+1.9
Weighted Total.....	113.3	113.6	104.4	-0.3	+8.5	Weighted Total.....	116.4	115.6	107.0	+0.7	+8.8
Duluth						Kansas City, Mo.					
Food.....	130.9	130.5	114.9	+0.3	+13.9	Food.....	114.7	118.3	103.2	-3.0	+11.1
Housing.....	100.5	100.5	100.1	0	+0.4	Housing.....	101.7	101.7	100.4	0	+1.3
Clothing.....	124.0	123.7	99.7	+0.2	+24.4	Clothing.....	121.2	121.1	99.0	+0.1	+22.4
Fuel and light.....	99.2	98.8	96.7	+0.4	+2.6	Fuel and light.....	110.6	110.0	105.8	+0.5	+4.5
Housefurnishings.....	128.4	128.4	105.9	0	+21.2	Housefurnishings.....	120.7	121.3	104.0	-0.5	+16.1
Sundries.....	102.4	102.5	100.7	-0.1	+1.7	Sundries.....	101.2	101.2	100.4	0	+0.8
Weighted Total.....	114.0	113.9	104.6	+0.1	+9.0	Weighted Total.....	109.0	110.0	101.6	-0.9	+7.3
Erie, Pa.						Lansing					
Food.....	132.5	128.1	110.3	+3.4	+20.1	Food.....	145.2	143.2	119.1	+1.4	+21.9
Housing.....	109.9	109.8	104.0	+0.1	+5.7	Housing.....	98.0	98.0	97.6	0	+0.4
Clothing.....	132.4	134.3r	102.4	-1.4	+29.3	Clothing.....	123.3	124.9	97.7	-1.3	+26.2
Fuel and light.....	107.5	107.3	105.3	+0.2	+2.1	Fuel and light.....	101.6	101.6	95.9	0	+5.9
Housefurnishings.....	129.9	129.9	109.3	0	+18.8	Housefurnishings.....	129.8	132.0	109.8	-1.7	+18.2
Sundries.....	106.8	106.9	101.5	-0.1	+5.2	Sundries.....	104.2	104.2	100.7	0	+3.5
Weighted Total.....	120.9	119.5r	105.9	+1.2	+14.2	Weighted Total.....	117.7	117.4	105.0	+0.3	+12.1
Fall River						Los Angeles					
Food.....	136.9	135.2	111.5	+1.3	+22.8	Food.....	129.3	128.8	112.7	+0.4	+14.7
Housing.....	104.3	104.3	101.9	0	+2.4	Housing.....	104.6	104.7	99.8	-0.1	+4.8
Clothing.....	119.8	120.3	100.3	-0.4	+19.4	Clothing.....	116.5	116.6	99.1	-0.1	+17.6
Fuel and light.....	102.7	102.6	97.9	+0.1	+4.9	Fuel and light.....	96.2	96.2	96.2	0	0
Housefurnishings.....	114.3	115.3	105.6	-0.9	+8.2	Housefurnishings.....	123.7	123.9	106.9	-0.2	+15.7
Sundries.....	105.2	105.2	102.8	0	+2.3	Sundries.....	103.6	103.6	101.5	0	+2.1
Weighted Total.....	117.8	117.3	105.1	+0.4	+12.1	Weighted Total.....	113.5	113.4	104.3	+0.1	+8.8
Front Royal, Va.						Louisville					
Food.....	141.6	139.3	120.2	+1.7	+17.8	Food.....	124.0	123.3	112.1	+0.6	+10.6
Housing.....	92.0	92.0	93.3	0	-1.4	Housing.....	104.9	104.9	104.1	0	+0.8
Clothing.....	122.7	122.2	104.5	+0.4	+17.4	Clothing.....	121.1	121.7	100.0	-0.5	+21.1
Fuel and light.....	103.5	103.5	100.0	0	+3.5	Fuel and light.....	115.5	115.4	111.6	+0.1	+3.5
Housefurnishings.....	126.5	126.5	108.2	0	+16.9	Housefurnishings.....	127.5	127.5	107.3	0	+18.8
Sundries.....	104.1	104.2	101.2	-0.1	+2.9	Sundries.....	100.3	100.3	100.0	0	+0.3
Weighted Total.....	114.0	113.4	105.0	+0.5	+8.6	Weighted Total.....	113.7	113.6	105.9	+0.1	+7.4
Grand Rapids						Lynn					
Food.....	135.0	136.8	119.5	-1.3	+13.0	Food.....	135.6	133.4	116.4	+1.6	+16.5
Housing.....	106.6	106.6	106.3	0	+0.3	Housing.....	104.1	104.1	102.1	0	+2.0
Clothing.....	120.8	121.6	99.6	-0.7	+21.3	Clothing.....	123.7	124.4	101.4	-0.6	+22.0
Fuel and light.....	108.1	106.5	101.2	+1.5	+6.8	Fuel and light.....	111.1	110.9	105.9	+0.2	+4.9
Housefurnishings.....	131.4	132.1	103.7	-0.5	+26.7	Housefurnishings.....	125.6	126.1	104.5	-0.4	+20.2
Sundries.....	103.9	103.9	101.2	0	+2.7	Sundries.....	104.8	104.9	102.4	-0.1	+2.3
Weighted Total.....	117.1	117.6	107.4	-0.4	+9.0	Weighted Total.....	119.7	119.0	107.6	+0.6	+11.2

Footnotes given on page 222

COST OF LIVING OF WAGE EARNERS AND LOWER SALARIED CLERICAL WORKERS IN 60 CITIES DURING MAY AND JUNE, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942		June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942
Macon						Newark					
Food.....	136.7	136.8	114.7	-0.1	+19.2	Food.....	124.7	121.5	111.0	+2.6	+12.3
Housing.....	121.0	121.7	115.8	-0.6	+4.5	Housing.....	101.4	101.4	100.3	0	+1.1
Clothing.....	116.3	116.9	99.1	-0.5	+17.4	Clothing.....	121.0	122.5	100.4	-1.2	+20.5
Fuel and light.....	107.8	107.8	103.7	0	+4.0	Fuel and light.....	101.3	101.3	96.3	0	+5.2
Housefurnishings.....	129.3	129.5	110.7	-0.2	+16.8	Housefurnishings.....	129.0	130.0	105.1	-0.8	+22.7
Sundries.....	101.4	101.5	98.6	-0.1	+2.8	Sundries.....	102.9	102.9	100.6	0	+2.3
Weighted Total.....	118.3	118.6	106.5	-0.3	+11.1	Weighted Total.....	112.7	111.8	104.0	+0.8	+8.4
Manchester, N. H.						New Haven					
Food.....	132.1	130.0	110.0	+1.6	+20.1	Food.....	131.6	128.7	112.0	+2.3	+17.5
Housing.....	103.0	103.0	101.2	0	+1.8	Housing.....	105.6	105.6	104.2	0	+1.3
Clothing.....	118.3	118.7	101.0	-0.3	+17.1	Clothing.....	119.9	120.5	102.0	-0.5	+17.5
Fuel and light.....	105.5	105.5	100.0	0	+5.5	Fuel and light.....	105.9	105.9	100.0	0	+5.9
Housefurnishings.....	123.8	124.1	103.9	-0.2	+19.2	Housefurnishings.....	124.9	124.9	104.5	0	+19.5
Sundries.....	103.7	103.7	102.4	0	+1.3	Sundries.....	102.7	102.8	101.7	-0.1	+1.0
Weighted Total.....	116.7	116.1	104.6	+0.5	+11.6	Weighted Total.....	116.2	115.2	105.8	+0.9	+9.8
Meadville, Pa.						New Orleans					
Food.....	135.6	133.1	114.9	+1.9	+18.0	Food.....	133.3	133.0	114.0	+0.2	+16.9
Housing.....	110.8	110.8	103.8	0	+6.7	Housing.....	110.8	110.8	107.3	0	+3.3
Clothing.....	116.1	116.1	100.7	0	+15.3	Clothing.....	121.6	121.8	99.6	-0.2	+22.1
Fuel and light.....	105.4	105.4	102.8	0	+2.5	Fuel and light.....	103.2	103.2	99.9	0	+3.3
Housefurnishings.....	124.6	124.5	109.8	+0.1	+13.5	Housefurnishings.....	128.0	128.7	108.9	-0.5	+17.5
Sundries.....	107.2	107.2	100.9	0	+6.2	Sundries.....	101.0	101.0	99.8	0	+1.2
Weighted Total.....	118.0	117.2	106.2	+0.7	+11.1	Weighted Total.....	118.0	117.9	106.7	+0.1	+10.6
Memphis						New York					
Food.....	132.0	132.5	112.1	-0.4	+17.8	Food.....	127.2	128.2	109.0	-0.8	+16.7
Housing.....	109.2	109.2	104.0	0	+5.0	Housing.....	100.7	100.7	100.4	0	+0.3
Clothing.....	120.9	121.2	99.8	-0.2	+21.1	Clothing.....	113.2	114.6	98.5	-1.2	+14.9
Fuel and light.....	103.1	103.1	98.1	0	+5.1	Fuel and light.....	106.7	106.6	100.7	+0.1	+6.0
Housefurnishings.....	127.4	127.8	104.8	-0.3	+21.6	Housefurnishings.....	128.8	128.6	106.2	+0.2	+21.3
Sundries.....	103.4	103.4	101.9	0	+1.5	Sundries.....	103.9	104.0	102.7	-0.1	+1.2
Weighted Total.....	115.9	116.1	104.8	-0.2	+10.6	Weighted Total.....	113.5	114.0	104.0	-0.4	+9.1
Milwaukee						Oakland					
Food.....	125.7	122.6	111.1	+2.5	+13.1	Food.....	133.7	130.5	111.3	+2.5	+20.1
Housing.....	103.4	103.4	101.3	0	+2.1	Housing.....	131.5	131.5	103.3	0	+27.3
Clothing.....	122.3	123.2	100.9	-0.7	+21.2	Clothing.....	122.0	122.6	98.5	-0.5	+23.9
Fuel and light.....	103.6	103.4	97.6	+0.2	+6.1	Fuel and light.....	84.9	84.9	84.9	0	0
Housefurnishings.....	125.1	126.2	106.0	-0.9	+18.0	Housefurnishings.....	119.5	119.8	102.1	-0.3	+17.0
Sundries.....	103.1	103.1	100.8	0	+2.3	Sundries.....	100.9	101.0	96.8	-0.1	+4.2
Weighted Total.....	113.1	112.3	104.0	+0.7	+8.8	Weighted Total.....	119.1	118.2	102.5	+0.8	+16.2
Minneapolis						Omaha					
Food.....	130.0	129.4	116.2	+0.5	+11.9	Food.....	138.7	136.7	115.4	+1.5	+20.2
Housing.....	103.4	103.4	100.8	0	+2.6	Housing.....	100.6	100.6	98.5	0	+2.1
Clothing.....	123.7	124.2	101.6	-0.4	+21.8	Clothing.....	120.7	121.2	99.5	-0.4	+21.3
Fuel and light.....	100.4	99.5	97.7	+0.9	+2.8	Fuel and light.....	103.6	104.1	99.9	-0.5	+3.7
Housefurnishings.....	122.1	122.2	107.0	-0.1	+14.1	Housefurnishings.....	132.2	132.3	111.8	-0.1	+18.2
Sundries.....	110.5	110.6	102.5	-0.1	+7.8	Sundries.....	103.5	103.7	100.8	-0.2	+2.7
Weighted Total.....	116.1	115.9	106.0	+0.2	+9.5	Weighted Total.....	116.9	116.4	105.2	+0.4	+11.1
Muskegon						Parkersburg, W. Va.					
Food.....	137.1	135.6	121.8	+1.1	+12.6	Food.....	134.4	134.7	114.1	-0.2	+17.8
Housing.....	115.2	115.4	116.2	-0.2	-0.9	Housing.....	104.2	104.2	100.0	0	+4.2
Clothing.....	120.4	120.2	98.1	+0.2	+22.7	Clothing.....	123.3	123.4	102.7	-0.1	+20.1
Fuel and light.....	106.2	106.2	101.2	0	+4.9	Fuel and light.....	94.4	94.4	94.4	0	0
Housefurnishings.....	118.7	118.7	104.4	0	+13.7	Housefurnishings.....	123.8	124.1	105.5	-0.2	+17.3
Sundries.....	105.7	105.8	101.1	-0.1	+4.5	Sundries.....	104.5	104.5	102.2	0	+2.3
Weighted Total.....	118.9	118.5	109.5	+0.3	+8.6	Weighted Total.....	117.5	117.6	105.9	-0.1	+11.0

Footnotes given on page 222

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 60 CITIES DURING MAY AND JUNE, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942		June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942
Philadelphia						Sacramento					
Food.....	133.5	134.0	111.3	-0.4	+19.9	Food.....	132.0	131.1	113.0	+0.7	+16.8
Housing.....	103.0	103.0	99.7	0	+3.3	Housing.....	104.3	103.2	102.4	+1.1	+1.9
Clothing.....	122.7	123.6	102.6	-0.7	+19.6	Clothing.....	120.5	120.4	101.0	+0.1	+19.3
Fuel and light.....	107.2	107.0	100.3	+0.2	+6.9	Fuel and light.....	83.9	83.9	83.9	0	0
Housefurnishings.....	119.0	119.1	101.7	-0.1	+17.0	Housefurnishings.....	123.1	125.9	101.1	-2.2	+21.8
Sundries.....	102.5	102.5	101.1	0	+1.4	Sundries.....	103.6	103.6	101.3	0	+2.3
Weighted Total.....	116.9	117.2	104.6	-0.3	+11.8	Weighted Total.....	114.0	113.6	104.1	+0.4	+9.5
Pittsburgh						St. Louis					
Food.....	127.9	127.3	112.4	+0.5	+13.8	Food.....	133.0	131.8	112.7	+0.9	+18.0
Housing.....	108.0	108.3	102.1	-0.3	+5.8	Housing.....	106.5	106.4	100.7	+0.1	+5.8
Clothing.....	124.0	124.4	100.2	-0.3	+23.8	Clothing.....	122.4	123.5	101.6	-0.9	+20.5
Fuel and light.....	113.7	113.7	106.5	0	+6.8	Fuel and light.....	117.2	116.1	110.2	+0.9	+6.4
Housefurnishings.....	117.1	117.3	103.2	-0.2	+13.5	Housefurnishings.....	118.1	118.2	103.1	-0.1	+14.5
Sundries.....	104.6	104.6	102.1	0	+2.4	Sundries.....	102.0	102.1	102.1	-0.1	-0.1
Weighted Total.....	116.2	116.1	105.6	+0.1	+10.0	Weighted Total.....	116.7	116.4	105.9	+0.3	+10.2
Portland, Ore.						St. Paul					
Food.....	125.7	128.4	110.9	-2.1	+13.3	Food.....	128.4	128.3	113.1	+0.1	+13.5
Housing.....	110.7	110.7	102.3	0	+8.2	Housing.....	100.9	100.9	100.7	0	+0.2
Clothing.....	127.3	127.6	102.5	-0.2	+24.2	Clothing.....	119.3	119.4	101.7	-0.1	+17.3
Fuel and light.....	98.8	98.8	98.8	0	0	Fuel and light.....	99.9	99.6	97.5	+0.3	+2.5
Housefurnishings.....	119.0	119.2	103.4	-0.2	+15.1	Housefurnishings.....	123.9	123.9	107.6	0	+15.1
Sundries.....	104.6	104.6	102.1	0	+2.4	Sundries.....	106.4	106.4	102.5	0	+3.8
Weighted Total.....	114.8	115.7	104.9	-0.8	+9.4	Weighted Total.....	113.6	113.5	105.1	+0.1	+8.1
Providence						San Francisco					
Food.....	137.0	133.5	111.0	+2.6	+23.4	Food.....	141.0	139.5	112.0	+1.1	+25.9
Housing.....	103.3	103.3	101.1	0	+2.2	Housing.....	98.3	98.3	97.8	0	+0.5
Clothing.....	118.7	119.2	99.6	-0.4	+19.2	Clothing.....	118.8	119.6	99.4	-0.7	+19.5
Fuel and light.....	99.3	99.3	98.0	0	+1.3	Fuel and light.....	84.9	84.9	84.9	0	0
Housefurnishings.....	125.3	125.5	106.5	-0.2	+17.7	Housefurnishings.....	119.4	119.5	103.2	-0.1	+15.7
Sundries.....	101.3	101.3	100.6	0	+0.7	Sundries.....	101.1	101.2	99.3	-0.1	+1.8
Weighted Total.....	115.0	114.0	103.7	+0.9	+10.9	Weighted Total.....	115.5	115.1	102.7	+0.3	+12.5
Richmond						Seattle					
Food.....	134.1	132.1	112.4	+1.5	+19.3	Food.....	137.2	139.1	112.2	-1.4	+22.3
Housing.....	102.7	102.8	101.2	-0.1	+1.5	Housing.....	114.5	114.5	107.2	0	+6.8
Clothing.....	117.3	117.3	99.9	0	+17.4	Clothing.....	118.0	118.4	99.5	-0.3	+18.6
Fuel and light.....	103.9	103.9	95.3	0	+9.0	Fuel and light.....	109.2	109.2r	99.4	0	+9.9
Housefurnishings.....	120.3	120.5	102.0	-0.2	+17.9	Housefurnishings.....	120.1	120.3	102.6	-0.2	+17.1
Sundries.....	102.6	102.6	100.1	0	+2.5	Sundries.....	105.9	105.9	102.5	0	+3.3
Weighted Total.....	114.2	113.7	103.6	+0.4	+10.2	Weighted Total.....	119.2	119.8r	105.8	-0.5	+12.7
Roanoke, Va.						Spokane					
Food.....	136.2	135.6	115.9	+0.4	+17.5	Food.....	123.3	121.6	109.4	+1.4	+12.7
Housing.....	121.3	122.0	116.8	-0.6	+3.9	Housing.....	102.2	102.2	99.6	0	+2.6
Clothing.....	114.1	114.4	101.6	-0.3	+12.3	Clothing.....	121.4	121.8	98.5	-0.3	+23.2
Fuel and light.....	99.2	99.2	97.4	0	+1.8	Fuel and light.....	99.2	98.7	98.2	+0.5	+1.0
Housefurnishings.....	121.9	122.2	103.4	-0.2	+17.9	Housefurnishings.....	132.3	131.2	104.6	+0.8	+26.5
Sundries.....	109.0	109.0	101.3	0	+7.6	Sundries.....	106.7	106.8	104.6	-0.1	+2.0
Weighted Total.....	119.6	119.6	108.2	0	+10.5	Weighted Total.....	113.2	112.6	104.2	+0.5	+8.6
Rochester						Syracuse					
Food.....	134.2	131.1	114.8	+2.4	+16.9	Food.....	144.7	141.7	120.8	+2.1	+19.8
Housing.....	103.9	103.9	102.4	0	+1.5	Housing.....	115.3	115.3	100.2	0	+15.1
Clothing.....	126.7	128.5	101.8	-1.4	+24.5	Clothing.....	125.0	125.4	98.5	-0.3	+26.9
Fuel and light.....	108.5	108.5	104.9	0	+3.4	Fuel and light.....	103.4	103.3	98.3	+0.1	+5.2
Housefurnishings.....	135.1	135.4	108.5	-0.2	+24.5	Housefurnishings.....	144.0	143.9	111.1	+0.1	+29.6
Sundries.....	111.9	111.9	102.9	0	+8.7	Sundries.....	107.6	107.7	101.7	-0.1	+5.8
Weighted Total.....	118.9	118.2	106.6	+0.6	+11.5	Weighted Total.....	123.3	122.5	106.8	+0.7	+15.4

Footnotes given on page 222

COST OF LIVING OF WAGE EARNERS AND LOWER-SALARIED CLERICAL WORKERS IN 60 CITIES DURING MAY AND JUNE, 1942—Continued

Source: THE CONFERENCE BOARD

Index Numbers, January, 1939=100

CITY	Index Numbers Jan., 1939=100			Percentage Changes		CITY	Index Numbers Jan., 1939=100			Percentage Changes	
	June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942		June 1942	May 1942	June 1941	May 1942 to June 1942	June 1941 to June 1942
Toledo						Wilmington, Del.					
Food.....	134.1	132.2	114.2	+1.4	+17.4	Food.....	139.0	137.3	116.8	+1.2	+19.0
Housing.....	107.7	107.3	100.1	+0.4	+7.6	Housing.....	104.0	104.0	102.5	0	+1.5
Clothing.....	122.1	122.2	98.1	-0.1	+24.5	Clothing.....	123.9	124.4	102.4	-0.4	+21.0
Fuel and light.....	108.3	107.8	101.2	+0.5	+7.0	Fuel and light.....	102.4	102.4	99.0	0	+3.4
Housefurnishings.....	120.6	119.4	105.8	+1.0	+14.0	Housefurnishings.....	115.1	115.3	101.0	-0.2	+14.0
Sundries.....	103.0	103.0	100.7	0	+2.3	Sundries.....	99.8	99.8	99.0	0	+0.8
Weighted Total.....	116.2	115.5	104.6	+0.6	+11.1	Weighted Total.....	117.1	116.6	105.8	+0.4	+10.7
Wausau, Wis.						Youngstown					
Food.....	135.8	133.3	118.6	+1.9	+14.5	Food.....	133.9	130.9	112.7	+2.3	+18.8
Housing.....	102.7	102.7	101.1	0	+1.6	Housing.....	105.9	107.0	107.8	-1.0	-1.8
Clothing.....	122.6	122.6	99.5	0	+23.2	Clothing.....	123.5	124.5	103.1	-0.8	+19.8
Fuel and light.....	101.7	101.7	97.5	0	+4.3	Fuel and light.....	109.9	109.9	100.5	0	+9.4
Housefurnishings.....	123.8	123.4	104.6	+0.3	+18.4	Housefurnishings.....	132.8	134.3	103.2	-1.1	+28.7
Sundries.....	103.4	104.0	100.3	-0.6	+3.1	Sundries.....	105.9	105.9	102.6	0	+3.2
Weighted Total.....	117.5	116.8	106.5	+0.6	+10.3	Weighted Total.....	119.5	118.8	107.2	+0.6	+11.5

rRevised aData on rents for Dayton being revised n.a. Not available pPreliminary
 "Fuel and light" is based upon retail prices of 35 kilowatt hours of electricity, 1,000 cubic feet of natural gas or 3,000 cubic feet of manufactured gas, and coal or other fuel for heating.

COST OF LIVING IN 8 CITIES, MAY AND JUNE, 1942

Source: THE CONFERENCE BOARD

Percentage Changes

CITY	May 1942 to June 1942	June 1941 to June 1942	CITY	May 1942 to June 1942	June 1941 to June 1942
Anderson, Ind.			Lewistown, Pa.		
Food.....	+1.7	+16.0	Food.....	+0.9	+20.5
Housing.....	0	+2.5	Housing.....	0	+3.8
Clothing.....	-0.5	+26.8	Clothing.....	+1.1	+16.2
Fuel and light.....	0	+3.8	Fuel and light.....	0	+4.4
Housefurnishings.....	+1.3	+29.0	Housefurnishings.....	-0.1	+16.4
Sundries.....	0	+2.9	Sundries.....	+1.9	+7.4
Weighted Total.....	+0.6	+11.3	Weighted Total.....	+0.9	+12.5
Evansville, Ind.			Rockford, Ill.		
Food.....	+1.6	+15.0	Food.....	+2.4	+10.4
Housing.....	0	+0.5	Housing.....	0	+10.9
Clothing.....	-0.1	+28.2	Clothing.....	-0.4	+19.8
Fuel and light.....	0	+3.2	Fuel and light.....	0	+1.9
Housefurnishings.....	-0.2	+24.6	Housefurnishings.....	-0.2	+28.5
Sundries.....	0	+4.2	Sundries.....	-0.1	+4.6
Weighted Total.....	+0.4	+9.3	Weighted Total.....	+0.9	+10.1
Flint, Mich.			Saginaw, Mich.		
Food.....	+2.9	+23.3	Food.....	+0.6	+18.9
Housing.....	0	+1.0	Housing.....	+0.2	+4.8
Clothing.....	-0.1	+25.0	Clothing.....	+0.5	+17.5
Fuel and light.....	0	+5.6	Fuel and light.....	0	+4.8
Housefurnishings.....	0	+15.9	Housefurnishings.....	0	+17.1
Sundries.....	+0.1	+7.0	Sundries.....	-0.1	+3.3
Weighted Total.....	+1.0	+13.2	Weighted Total.....	+0.3	+10.9
Joliet, Ill.¹			Trenton, N. J.		
Food.....	+0.8	+20.7	Food.....	+1.3	+17.5
Housing.....	0	+6.2	Housing.....	0	+8.4
Clothing.....	+0.8	+31.0	Clothing.....	-1.3	+40.5
Fuel and light.....	0	+4.7	Fuel and light.....	0	+5.6
Housefurnishings.....	+0.6	+44.3	Housefurnishings.....	-1.4	+20.8
Sundries.....	+1.2	+4.2	Sundries.....	-0.1	+3.2
Weighted Total.....	+0.7	+14.7	Weighted Total.....	+0.3	+14.0

¹Includes Lockport and Rockdale

Strikes and Turnover Rates

IN MAY there were 144 strikes in progress which related to war industry plants. This was in contrast to the 95 in April, and the 48,000 employees involved is contrasted to the April figure of 43,000. In spite of these two increases, the number of man days idle decreased from 174,000 to 137,000. The estimated number of man days worked in May was 242 million, or 29 million more than in April. This resulted in only .06% lost working time. The far-reaching results of these strikes, however, cannot be reckoned in the number of man days lost. Figures can only serve as indicators of general trends.

Several important tendencies were noticeable in the strikes reported in the press during June. The length of time that strikers stay out of plants has decreased during the past months. The work stoppages at the Ford Willow Run bomber plant in Detroit, Michigan, the General Chemical Company in Buffalo, the Jones and Laughlin Steel Corporation in McKeesport, Pennsylvania, and the Republic Steel Corporation in Cleveland, Ohio, were very brief, but vitally important. They lasted respectively, two hours for a jurisdictional dispute; five hours in regard to a preferential union shop; twenty-three hours over the introduction of a

LABOR DISPUTES ORIGINATING DURING JUNE, 1942¹

Organization Affected	Location	Date Begun	Date Ended	Number of Workers Involved
Manufacturing, Building, and Mining				
Aluminum Company of America.....	Detroit, Mich.	June 16	June 17	2,800
Aluminum Company of America.....	Massena, N. Y.	11	12	1,500-2,000
Arkwright Corporation.....	Fall River, Mass.	8	22	140
The B. G. Corporation.....	New York, N. Y.	14	15	250
Floyd Bennett Airfield.....	Brooklyn, N. Y.	May 30	9	250
Bethlehem Steel Company (Gautier Works).....	Johnstown, Pa.	July 1	..	125
Bethlehem Steel Company.....	Lackawanna, N. Y.	2	July 4	600-700
Carnegie-Illinois Steel Corporation.....	Gary, Ind.	1	..	700
Carpenters.....	Pittsburgh, Pa.	June 1	a	a
Chrysler Corporation (Tank, arsenal and De Soto Division).....	Detroit, Mich.	10	June 10	75,000
Chrysler Corporation (Dodge Bros. Corporation).....	Detroit, Mich.	2	3	3,000
Ford Willow Run Bomber Plant.....	Detroit, Mich.	5	5	n.a.
General Chemical Company.....	Buffalo, N. Y.	15	15	125
The General Tire and Rubber Company, Inc.....	Akron, Ohio	24	..	560-1,200
Goodyear Tire and Rubber Company.....	Akron, Ohio	9	..	300
Hathaway Manufacturing Company.....	New Bedford, Mass.	May 27	4	156b
Hudson Naval Ordnance Arsenal.....	Detroit, Mich.	June 18	18	4,800
Jones and Laughlin Steel Corporation.....	McKeesport, Pa.	17	17	100
The Lamson and Sessions Company.....	Cleveland, Ohio	17	..	627
Libbey-Owens-Ford Glass Company.....	Charleston, W. Va.	8	..	1,400
Lukens Steel Company (Lukenweld, Inc.).....	Coatesville, Pa.	11	..	189
Lukens Steel Company.....	Coatesville, Pa.	18	..	75
Machinists ²	St. Louis, Mo.	23	25	400
Marietta Manufacturing Company.....	Point Pleasant, W. Va.	16	22	2,000
National Tube Company.....	Lorain, Ohio	25	27	3,500
Paper Mills (13).....	Holyoke, Mass.	2	..	3,000
Pittsburgh Equitable Meter Company.....	Pittsburgh, Pa.	18	21	1,000
Pittsburgh Gear and Machine Company.....	Pittsburgh, Pa.	2	3	n.a.
Pullman Standard Car Manufacturing Company.....	Michigan City, Ind.	15	20	1,000
Republic Steel Corporation.....	California, Pa.	23	..	600
Republic Steel Corporation.....	Cleveland, Ohio	25	25	250
St. Paul and Tacoma Lumber Company.....	Tacoma, Wash.	2	..	1,000
J. H. Williams and Company.....	Buffalo, N. Y.	19	22	1,500
Yellow Truck and Coach Manufacturing Company.....	Pontiac, Mich.	26	27	11,000
Miscellaneous				
Detroit and Cleveland Navigation Company.....	Detroit, Mich.	1	..	1,000
Laundries (71).....	Philadelphia, Pa.	July 8	..	5,000
Parkchester Housing Development.....	Bronx, N. Y.	June 29	..	250c
Packing Plants (3).....	Pittsburgh, Pa.	17	..	1,500
United Parcel Service.....	New York, N. Y.	5	24	1,600

¹Incomplete report based upon available information published in the press.

²Eleven subcontracting plants working for war production firms.

³Seventy workers at Defense Plant Corporation and Crucible Steel, who returned on June 3; 14 at Scaife Co.; 56 at 2 defense housing projects. Workers at 4 other defense housing projects went out on June 2.

⁴Eight hundred more affected involuntarily.

⁵On July 6, 130 painters and 48 electricians went out on a sympathy strike, of which 20 painters returned to work.

n.a. Not available

STRIKES IN WAR INDUSTRIES

Source: Joint Committee of Representatives from War, Navy, and Labor Departments, Maritime Commission, War Labor Board, and War Production Board

Period	Number of Strikes in Progress	Employees Involved (000)	Man Days Idle (000)
1941 December 8-31....	7	2	59
1942 January.....	27	12	46
February.....	50	25	119
March.....	66	35	167
April.....	95	43	174
May.....	144	48	137

piecework wage rate; and last, twenty minutes concerning wage revisions for a tripled daily production schedule.

Two of the strikes listed were caused by the refusal of men to work with Negroes. At the Hudson Naval Ordnance Arsenal, which is owned by the government and operated by the Hudson Motor Car Company, eight Negroes, who were union members with company seniority rights, were transferred to machines formerly

used by white operators. The 4,800 workers returned to their jobs when Secretary of the Navy Knox warned them that they would be discharged and barred from future war-production employment if they continued to strike.

The second instance relating to Negroes occurred at the Chrysler Corporation's Dodge truck plant at Detroit. Twenty Negroes had been transferred from the main plant at the request of union officials. Objections were put aside when union representatives declared that racial discrimination and unauthorized strikes were outlawed by the UAW constitution.

The War Labor Board has widened the field of disputes which it considers under its jurisdiction. The dispute between the CIO and Montgomery Ward of Chicago was taken over by the WLB, on the ground that it involved so many employees and its outcome would affect a very important industrial center.

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Division of Industrial Economics

STRIKES, TURNOVER RATES, AND PRODUCTION

Date	All Occupations			Production ² (1935-1939 =100)	Manufacturing				
	Strikes ¹				Turnover Rates per 100 Employees ¹				Accessions
	Beginning in Period		Man Days Idle During Period (Thousand)		Separations				
	Number	Workers Involved (Thousand)			Total	Quits and Miscella- neous	Discharges	Lay-offs	
1929.....	921	289	5,352	110	75.23 _a	41.01 _a	9.04 _a	25.17 _a	67.61 _a
1930.....	637	183	3,317	90	59.65	18.64	5.04	35.97	37.02
1931.....	810	342	6,893	74	48.38	11.39	2.72	34.27	36.59
1932.....	841	324	10,502	57	51.98	8.34	1.96	41.68	39.82
1933.....	1,695	1,168	16,872	68	45.38	10.66	2.49	32.23	65.20
1934.....	1,856	1,467	19,592	74	49.17	10.67	2.24	36.26	56.91
1935.....	2,014	1,117	15,456	87	42.74	10.37	2.29	30.08	50.05
1936.....	2,172	789	13,902	104	40.35	13.02	2.63	24.70	52.16
1937.....	4,740	1,861	28,425	113	53.11	14.97	2.38	35.76	42.59
1938.....	2,772	688	9,148	87	49.22	7.46	1.29	40.47	46.16
1939.....	2,613	1,171	17,812	108	37.71	9.52	1.52	26.67	48.85
1940 ^r	2,508	577	6,701	124	40.27	12.54	1.84	25.89	52.72
1941.....	4,288	2,363	23,048	161	46.68	27.78	3.04	15.86	64.51
1941 January.....	240	92	663	139	3.41	1.62	0.18	1.61	5.54
February.....	257	72	1,135	144	3.15	1.76	0.19	1.20	4.92
March.....	348	118	1,558	149	3.40	2.13	0.21	1.06	5.62
April.....	403	512	7,113	153	3.89	2.45	0.25	1.19	6.04
May.....	463	321	2,172	160	3.86	2.54	0.24	1.08	5.95
June.....	357	143	1,504	165	3.71	2.42	0.26	1.03	6.31
July.....	439	143	1,326	164	4.24	2.55	0.29	1.40	6.00
August.....	465	212	1,825	167	4.14	2.71	0.30	1.13	5.43
September.....	470	295	1,953	172	4.53	3.06	0.31	1.16	5.16
October.....	432	198	1,925	173	4.13	2.44	0.28	1.41	4.87
November.....	271	228	1,397	173	3.51	1.83	0.24	1.44	3.91
December.....	143	30	476	171	4.71	2.27	0.29	2.15	4.76
1942 January.....	155	33	390	172	5.10	3.19	0.30	1.61	6.87
February.....	190	57	425	174	4.82	3.14	0.29	1.39	6.02
March.....	240	65	450	177	5.36	3.84	0.33	1.19	6.99
April.....	310	55	375	180	6.12	4.46	0.35	1.31	7.12
May.....	275	53	325	185	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE—For back figures see *The Conference Board Economic Record*, June, 1942, p. 194. ¹United States Bureau of Labor Statistics. ²Federal Reserve annual production data are averages of monthly figures. aJune to December. pPreliminary. n.a.Not available. rRevised

Employment and Unemployment

MORE MEN and women were at work in May than at any previous period in the nation's history. Almost 1¼ million more persons were reported engaged in farming than in the previous month, while an additional 700,000 were taken on in manufacturing, construction, and both military and civilian government services. The seasonal increase in agriculture together with the continuing expansion of war industries and services raised the number at work to an all-time high of 55.3 million. Total employment was fully 700,000 above its previous peak of last September, while total non-agricultural employment was also above its earlier December high by about a like amount.

Since the beginning of this year the total number of persons employed has increased by almost five million. Employment moved upward slowly in the opening months as the problem of war conversion of industry was gradually solved, then picked up momentum in the second quarter. About three-fifths of the gain since January is accounted for by the normal seasonal expansion in agriculture, while the remaining two-fifths represented two million new jobs in industry or in the armed services.

Excess of Employment Over Economic Labor Force

On the basis of preliminary estimates these gains in May brought the figure for total employment above the estimated number of persons who compose the nation's economic labor force. Not since May-October, 1929, has the level of employment ever surpassed the number of persons normally in the labor market. Mounting acceleration of inductions into the armed forces, additional farm employment which has not yet reached its seasonal peak, and the necessity for continued expansion of the number on war production payrolls will further widen this gap between total labor requirements and total habitual workers. As in other periods of extreme industrial activity, such labor requirements can no longer be met simply through tapping the pool of habitual gainful workers, but must be met increasingly through the attraction of persons who do not customarily enter the labor market.

Attention was first directed to the excess of employment over the economic labor force in such periods by Paul H. Douglas in his analysis of labor trends during World War I.¹ He found employment in manufacturing, and on steam and electric railways to exceed their normal labor supply by 3.5% in 1917 and 4.1% in 1918. Later, THE CONFERENCE BOARD'S annual estimates revealed an excess of total employment over the economic labor force in each of the years 1917-1919, in 1906, and in the summer months of 1929. Current esti-

¹"The women and juveniles who entered industry to fill the places of men returned, on the whole, rather speedily to their homes."

EMPLOYMENT AND UNEMPLOYMENT, MAY, 1942

In Thousands

Distribution of Labor Force	May		1942		
	1940	1941	March	April p	May p
Total unemployment. . .	7,585	2,478	3,448	1,714	....
Excess of employment over economic labor force. . . .	....	....	....	....	156
Total employment (including armed forces) . .	46,696	51,801	51,645	53,416	55,322
Agriculture.	11,414	11,184	9,110	10,140	11,356
Forestry and fishing. . . .	215	222	202	210	219
Total industry.	16,207	19,328	20,274	20,662	20,989
Extraction of minerals. . .	746	758	793	793	793
Manufacturing.	10,827	12,930	13,895	14,007	14,123
Construction.	1,796	2,564	2,358	2,591	2,758
Transportation.	1,887	2,074	2,195	2,237	2,279
Public utilities.	950	1,001	1,034	1,035	1,036
Trade, distribution and finance.	7,589	7,749	7,714	7,677	7,637
Service industries (including armed forces).	10,315	12,217	13,191	13,553	13,927
Miscellaneous industries. .	956	1,101	1,154	1,174	1,192
Emergency employment ¹ WPA, CCC, and NYA (out-of-school).	2,505	2,114	1,279	1,151	1,037

¹Not included in employment total

pPreliminary

mates of the War Manpower Commission indicate that by the year's end the net excess of employment over the normal labor force may reach about 3.5 million.¹

May Trends

The excess of employment over the economic labor force in May is tentatively placed at about 150,000. Unemployment, or the amount employment fell short of full use of the economic labor force, totaled 1.7 million in April, 2.5 million in May, 1941, and fully 7.5 million in May, 1940.

Trade, distribution and finance was the only major industrial group with a lower level of employment than in both the previous month and in May, 1941. The number engaged in distribution fell off more sharply in wholesale than in retail trade.

Benefit payments were 13% lower than in April, and for the first time this year the number of man weeks of unemployment compensated was less than a year ago. The number of initial benefit claims filed also fell below 1941 levels for the third consecutive month.

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Division of Industrial Economics

¹The economic significance of a continued resort to the employment of labor reserves and the validity of estimates of "excess" employment coterminous with reported pools of localized unemployment will be considered at greater length in a forthcoming Board publication. For an earlier appraisal see, "Approach to Full Employment," *The Conference Board Economic Record*, December 24, 1941.

Wage-Increase Announcements,¹ June 1 to June 30

Source: Daily Press and Various Periodicals

Company	Location	Amount of Increase	Number Affected	Remarks
Auto Ordnance Corporation.....	Bridgeport, Conn.	10¢/hr.	1,400	To all workers. New minimum rate for unskilled beginners, 65¢/hr.
Beaunit Weaving Mills, Inc.....	Troy, N. Y.	10¢/hr.	480	{ To day workers { To piece workers Retroactive to April 1
Campello Shank Company.....	Brockton, Mass.	4¢/hr. 10%	125	
Chase Brass & Copper Company.....	Cleveland, O.	6.8¢/hr. (average)	1,600	
Columbia Recording Corporation.....	Bridgeport, Conn.	6½¢/hr.	600	Retroactive to May 11
Eastman Machine Company.....	Buffalo, N. Y.	5¢/hr.	100	To all employees. Based on cost-of-living clause in union contract
Electric Boat Company.....	New London, Conn.	8¢/hr.	....	To all employees
Hercules Trouser Company.....	Columbus, Hillsboro, Manchester and Wells- ton, O.	10%	975	
International Railway Company.....	Buffalo, N. Y.	10¢/hr.	2,000	Retroactive to April 30
E. J. McAleer Company.....	Philadelphia, Pa.	7½-10¢/hr.	200	
Malone Knitting Company.....	Springfield, Mass.	8%	200	
Mueller Brass Company.....	Port Huron, Mich.	10¢/hr. 7¢/hr. 5¢/hr.	2,000	{ To employees in lower wage group { To employees in middle wage group { To employees in upper wage group
Pacific Coast Association of Pulp and Paper Manufacturers	Portland, Ore.	10¢/hr. 7½¢/hr.		
Pleasant Novelty Company.....	Fall River, Mass.	12½%	125	To employees of 1 yr.
Puget Sound Meat Packers' Association.....	Seattle and Tacoma, Wash.	10%	....	To employees of 6 mos. or less
Ryan Aeronautical Company.....	San Diego, Calif.	10¢/hr.	1,440	New rates: 85¢/hr. to employees of 1 yr.; 82½¢/hr. to those of 6 mos. or less
Steel Improvement & Forge Company.....	Cleveland, O.	10¢/hr.	350	To clothing workers
Union Bag and Paper Corporation.....	Hudson Falls, N. Y.	4¢/hr.	1,400	Retroactive to May 4. New minimum rate:
Union Compress & Warehouse Company.....	Memphis, Tenn.	5¢/hr.	100	Women, 69¢; men, 82¢
Utah Copper Company.....	3 plants	50¢/day	4,400	Retroactive to Oct. 15, 1941. New basic hiring rate, 75¢/hr.
F. W. Woolworth Company.....	St. Louis, Mo.	\$1-\$2/wk. \$1.50/wk. \$2/wk.	800	{ To Negro hourly workers. New minimum: 40¢/hr. { To cooks { To waitresses { To clerks
Bakeries.....	Seattle, Wash.	\$1/day 15% 10%		
Bakeries.....	Des Moines, Iowa	5¢/hr. 12½¢/hr.	....	To driver-salesmen
			....	To wrappers and checkers
			....	To office workers
			....	New rates: driver-salesmen, \$55/wk.; wrappers and checkers, \$40/wk.; office workers, \$27.50/wk. upwards
Logging camps and lumber mills.....	Pacific Northwest	7½¢/hr.	64,500	To porters and janitors
8 Shipyards.....	Philadelphia, Pa. area	8¢/hr.	75,000	To working foremen
				New rates: Porters and janitors, 55¢/hr. 1st 6 mos.; 58¢/hr. 2nd 6 mos. and 62¢/hr. after 1 yr; working foremen, \$1.00/hr.
				To fir, pine and plywood workers. Retroactive to April 1
				New base rate for skilled workers: \$1.20/hr.

¹Includes salary-increase announcements.

Comments on Management Problems

(Continued from page 207)

mittee is composed of personnel representatives, accounting representatives, operating men and maintenance men. The superintendent desiring deferment for one of his employees must convince this committee that the employee is in fact a necessary man and one who cannot be replaced within six months.

We discuss at foremen's meetings the cases for reclassification and only ask for deferment when a worker cannot be replaced without destroying the efficiency of the department. We have established a plan which we call a "swing crew", which operates roughly as follows—working seven 8-hour shifts, everyone works 48 hours, and for every six men we have one swing man who relieves one regular each day. This infiltration does not destroy the over-all effectiveness of our organization and we have the advantage of always being able to fill the places of absentees or draftees with trained men. We can then drop down to six 8-hour shifts and work 40 hours. This plan has made possible the release of some draftees which otherwise would have caused us some difficulty.

We are very closely following the recommendations of the Selective Service Board in determining what the requirements are of a "necessary" man. These involve three points—special knowledge possessed by the employee, length of training period required, and availability of replacements. In a case where a man has special job knowledge, and where the training period required to train a new worker ranges from six months up, and the availability of replacement possibilities are nil, that man is automatically classed by us as a necessary man and we are prepared to request occupational deferment for him, not alone from the local selective service board but we will carry it to the Appeal Board if necessary.

POINT 3. Dismissal compensation plans to meet "priority unemployment" situations or, more generally, to anticipate problems of reducing working forces when the war ends, are being advocated. In the latter case, at least, the funds would be financed from war profits. Have you observed any tendency toward the establishment by companies of such dismissal compensation plans?

There appears to be little active interest in establishment of dismissal compensation funds, either for priority unemployment, so-called, or for unemployment after the war. The majority of executives commenting on this point answered in the negative. Some who discussed the question made such points as: that employees should provide their own protection during this period of high wages through the purchase of War Savings Bonds; that many companies are not making profits that would permit establishment of such funds; that companies now are contributing to the government unemployment insurance fund, which is supposed to

take care of this problem. Only two executives remarked that they had observed considerable interest in this subject, although definite action regarding it was on a very small scale.

Some comments are:

Unless there is some plan whereby a fund can be set up out of profits and not be subjected to the Excess Profits Tax, I cannot see how a company can afford the luxury of the establishment of a dismissal compensation plan. Under the present conditions I favor extensive research in the hope of conversion to postwar needs and the retention of our workers.

On the present tax outlook I would say that there will be no war profits that will finance any dismissal compensation. It is my opinion that manufacturing industries are in a very serious situation due to cash position. I do not believe that you will find many manufacturing concerns that have cash equivalent to the tax liability. Under the increasing production program, this situation will become worse rather than better. Taxes, payrolls, increasing inventories, equipment, etc. are eating up cash. I do not believe that industry can pay the proposed taxes. It looks to me as though bankruptcy would be the answer for a large percentage of our manufacturing industry.

I am of the opinion that not much has been done in either of these directions. First, a fairly good job has been done in moving the "priority unemployed" into war production. I fear the immediate problems of that transition, as well as those created by the demands of the war effort, are such as to cause most executives to think about unemployment compensation plans at the end of the war as something desirable but for the moment vague and secondary to the present situation.

I am very much against "dismissal compensation plans" which I view with the same attitude as that of planning a prolonged "defense program" as against an "attack program" and for the same reason. In either case I believe a more positive rather than negative position should be taken and, following this thought, we are going ahead with the development of new products and new services for peacetime production. We have followed this same program for 54 years without any great change in employment and we intend to at least try to keep our people busy after this conflict is over. As a matter of fact, the so-called profits, which have been very much overestimated, would not be sufficient if all such profits were used to take care of employees who might be dismissed if no work were available at the plant for any great length of time. If unemployment is general, of course, there would be no purpose in forming a "dismissal fund" which would only carry employees over a period of a few months. Basically our employees are protected to some extent by a surplus which we carry for any contingency which might arise, but no special reserve has been or will be carried for dismissal.

POINT 4. Are voluntary payroll deduction plans for purchase of War Savings Bonds and Stamps attracting a participation approaching Treasury Department goal of everyone setting aside 10% of income? How do you think employees would react to a fixed 10% deduction for this purpose through government compulsion?

Most companies reported fairly satisfactory progress in securing a large-scale participation in payroll deduction plans for the purpose of War Savings Bonds and Stamps. Very few had reached the Treasury Department objective of 10% of payroll but several felt that that goal was within sight. Of those that stated what proportion of the payroll was now pledged for War Bonds and Stamps, two had attained 10%, four were between 5% and 10%, three were at about 5%, but the great majority were "nowhere near 10%."

By a ratio of about two-to-one, executives felt that a compulsory payroll deduction of 10% by the government would not be well received by employees. Several felt that if such compulsion were exerted it would result in widespread demands for increased wages to make up for the deduction. It was pointed out that a fixed amount of deduction, such as 10%, would work great hardship in some cases where family income, because of various special circumstances, is barely enough to cover current expenses. Most of those who believed that a compulsory 10% deduction would work satisfactorily felt that there might be some resentment at first but that if it applied to everyone it would soon be accepted as a necessary evil. In some cases the belief that such a plan would not be resented was contingent on the assumption that an extensive educational campaign would precede such action and convince the individual both of the necessity for such action and the fact that it applied universally.

Comments on this point include the following:

I do not believe that voluntary payroll deduction plans are approaching the Treasury Department's goal of everyone setting aside 10% of their income. The aver-

age person working in a non-defense plant earning normal wages cannot be induced to set aside 10% of income. It is my belief that employees working in such industries would vigorously object to a fixed 10% deduction through government compulsion.

To my mind a better plan would be a 25% (or maybe higher) compulsory deduction on earnings in excess of 40 hours per week. Such a plan would much more effectively control the excess earnings of workers and would also help to curtail inflation.

At the request of the Treasury Department we put on a new drive for the sale of War Savings Bonds with the goal of 100% participation for 10% of earnings. Although the drive has just got under way, it is meeting with splendid response and employees seem to have no reluctance to the 10% deduction. In fact, in many instances they have requested that they be permitted deductions of more than 10%. Speaking for our corporation, we feel sure that the drive will be successful.

I personally favor a fixed 10% deduction if the present War Bond drive does not go over to the extent the Treasury desires. Only by compulsory saving will there be some reduction of the danger of inflation and will a great many hourly rated employees actually participate in the war effort from a cost standpoint. I am personally fearful that the Administration will put in so many exemptions for hourly rated employees, insofar as income taxes are concerned, that the entire burden will rest upon middle and upper income brackets and upon corporations, to an extent that management and supervision will be destroyed and corporations will be so weakened that they will have no lifeblood in the way of money left after the war to reestablish themselves, and then there will be a completely controlled economy under the brain trust of the New Deal. Supervision and management are being squeezed both ways; the income of these groups is not being increased and taxes are being so radically increased that it is difficult for some members of the group to find the 10% of pay to purchase War Bonds because most of them are having to set aside such large reserves for future income tax obligations.

Personnel Practices

Building Morale of Employees in Service

Industry is not only building the materials that will win the war but it also has a great opportunity to build and maintain high morale in the fighting forces by maintaining contact with employees who have entered the service and showing an interest in their welfare and progress. Executives often liken the relationship within their companies to that of a big family. Now is a time when it means something to an absent employee to feel

that he is still considered a member of the company family.

This has been well demonstrated by Congoleum-Nairn, Inc. It now has more than 200 employees in the service and maintains active contact with each one who can be reached. By means of a questionnaire the management learned what items were most desired by the men in camp and periodically the company sends a small kit to each man. Excerpts from letters received from

the men in service are reproduced in the "Home Unit News Letter," copies of which go to all the men on war duty, enabling them to keep in touch with each other through the company. For instance, one will report that "I am a radio operator in Headquarters Company of the Infantry;" another that "I am staying here about five more weeks and then my training is all done until the real thing comes. I am working night and day for the U.S.A." And another: "You know it's little things like this (Home Unit idea) that make our stay in the Army much easier. It may not seem like a lot to you, but it means a lot to us just to know that we are not forgotten." And another: "The fellows here are jealous of my working for a company that still remembers its drafted personnel. They all want to come home with me and get employment with Congoleum-Nairn."

The first issue of the "Home Unit News Letter" carried a message "to the boys in uniform" from the President of the Company, and also a list showing the present addresses of former employees in service where such information was obtainable.

War Bond Campaigns

In line with the campaign of the Treasury Department to induce all Americans to invest 10% of their income in War Bonds, many companies have been conducting drives to expand employee participation in their payroll allotment plans. Several novel methods of promoting the sale of War Bonds have been brought to the attention of THE CONFERENCE BOARD.

The Defender Photo Supply Company, Inc., recently closed a successful campaign under which 98.6% of the employees were enrolled. With the assistance of the representatives of the Employees' Association, the plan of the campaign, which had as its theme "Bonds Build Bombers," was developed. Employees were divided into teams, and as enrollment increased parts were added to unassembled, miniature Flying Fortress models. Each team started with the fuselage of the plane, which represented 20% of the team enrolled. When 10% more joined, a wing was added. Other parts were added as enrollment increased until the bomber was completed and 100% participation achieved.

Buttons were given to all employees upon enrollment, and the first team to reach 100% participation received a pair of gold wings suitably engraved.

The miniature bombers created a great deal of interest among the employees, and each team made an all-out effort to complete its plane.

The Famous-Barr store in St. Louis, Missouri, also has used the inter-department contest to stimulate employee interest. Each department has been christened with a military nickname such as the 18th Regulars, Fighting 8th, Missouri Mules. Each regiment has its colonel, captains, and other officers.

For those who buy stamps each week the company

has prepared a lapel button or pin with the words "I buy War Savings Stamps every week." There are also special badges for team captains. The standing of the teams is reported each week in the employee magazine. As a result of this campaign, stamps are being sold each week to 99% of the company's 4,000 employees.

The General Electric Company also conducted a well-thought-out campaign. "Drive Chairmen" were appointed in each factory or office by the local manager. These chairmen in turn selected captains for each department, the captains selected lieutenants, who chose solicitors. Each solicitor was asked to call upon twenty fellow employees. The publicity department prepared special material for employee publications, posters, a booklet of instructions for solicitors and other material. Training of solicitors was relayed from the drive chairmen down through the campaign organizational set-up, and, before the canvassing started, all solicitors in the office or factory were brought together for final instructions and a pep talk. Each solicitor was given a list of persons to see and payroll allotment authorization cards on which these employees' names and locations had previously been filled in by the company paymasters. In the company's largest plant, the Schenectady works, more than 93% of all employees signed up.

Production for Victory Campaign

Upon the suggestion by Donald M. Nelson, War Production Board Chairman, that all manufacturers of war materials should institute campaigns to further accelerate production of vitally needed war products, a one-month "Production for Victory" drive was launched at Bausch & Lomb in April, 1942. The slogan, "Make More for MacArthur," was embodied in the announcement that the period from April 6 to May 9 inclusive was to be "MacArthur Month" and that during this period every employee suggestion accepted would be awarded double the amount usually paid for suggestions. The company publicized the fact that it expected to award at least \$4,000 in cash to employees on this basis during the campaign and that all of the best ideas would be forwarded to Mr. Nelson, to be reviewed by experts and circulated to other war plants.

Grand Prizes

In addition to the double-award feature, it was announced that \$1,000 would be awarded in the form of ten grand prizes varying from \$25 to \$350 for the ten best ideas submitted during the campaign.

Department and Supervisory Award

Team spirit was encouraged by the announcement that the ten departments contributing most to the success of the program would be specially honored and would receive banners identifying them as winners. Moreover, as a part of the drive to enlist the coopera-

tion of the entire organization, a special \$500 contest for superintendents, foremen and others not usually eligible for cash awards was announced.

For eight weeks preceding and during the campaign pay envelopes carried pertinent messages to employees. Other media used for stimulating employee interest included posters, the house organ, *Balco News*, newspapers and radio. All three Rochester radio stations featured the campaign in their news broadcasts, two stations giving special half-hour programs. Suggestion boxes were repainted and supplied with special blanks and envelopes.

Every department received a portrait of General MacArthur featuring the campaign slogan, "Production for Victory."

Questions and Answers

Combating Heat Exhaustion

Question: On hot, humid days, our foundry workers sometimes become exhausted and we are forced to close down operations for several hours. Under the present drive for war production, what can you suggest as an effective measure to prevent this shutdown?

Answer: When increased heat causes an employee to perspire, he loses a certain amount of the normal supply of salt present in his system as well as body moisture. As salt is necessary for the retention of body fluids, a deficiency causes more rapid evaporation and thereby becomes a contributing factor to heat exhaustion.

Salt tablets, containing a small amount of energy-building dextrose are available for distribution to industrial workers. Dispensers are obtainable which can be conveniently attached to the wall near the source of drinking water. The employee, in taking one salt tablet with each drink of water, not only replaces the lost body fluid but maintains his system's natural salt balance as well. However, employees should be warned against taking too many tablets at one time. The cost of distributing these tablets is approximately 30 cents per day per hundred workers.

Salt may be introduced into the drinking water at central cooling stations by machinery which dispenses the proper proportion of salt to given volumes of water. This method assures the management that all employees are taking advantage of the heat-fatigue precautions. In some companies "salt gumdrops" are preferred, but in others it is felt that salt in this form is not palatable to all people.

Many of the old-time theories on the harmful effects of salt have been refuted by doctors and medical organ-

Results Achieved

On May 11 the company reported that more than 2,000 suggestions had been turned in—more than the total number received during any previous year. Almost \$5,000 had been awarded for suggestions approved to date. It was then estimated that total awards would reach \$7,000 to \$8,000, half again the amount that had been expected at the beginning of the drive.

A later report by the company shows that total awards for the five-week campaign will exceed \$12,000. The company emphasizes that in addition to the financial success of the campaign, employee morale has been stimulated and every person's attention has been focused on the company's part in the war and the vital issues of the conflict.

izations, and the extent to which its use has grown in industry furnishes practical evidence of its value.

Overtime Compensation for Supervisors

Question: Many of our supervisors who are exempt from the overtime provisions of the Wage and Hour Law are working considerable amounts of overtime due to the war emergency. Are many companies that are faced with this problem paying their "exempt" supervisors additional compensation for overtime?

Answer: A report received by THE CONFERENCE BOARD recently from a New York industrial consultant shows the results of a survey of prevailing policies on this question in thirty-eight representative companies.

One-half of these companies have made special provisions for paying "exempt" supervisors for their scheduled overtime. Some typical arrangements follow:

Company No. 1—Automobiles

Exempt supervisors and other exempt salaried employees now on a six-day week have received additional compensation at the rate of approximately 20% of their former salary.

Company No. 2—Electrical Products

Exempt employees earning more than \$50 a week are paid time-and-a-half on the first \$50 of their salary for scheduled and controlled overtime.

Company No. 3—Automobiles

All exempt salaried employees receiving less than \$350 per month who are on a scheduled extended work week in excess of forty hours are paid time-and-one-half as an *extended work week salary premium* for the scheduled time beyond forty hours.

All exempt salaried employees receiving from \$350 to \$625 per month who work extended periods in excess of forty hours a week are paid a salary premium in such amount that will bring salaries in this group on an equitable basis with those in the lower groups.

Company No. 4—Rubber Tires and Tubes

Exempt salaried employees earning up to \$350 a month are paid straight time for all pre-scheduled hours in excess of eight hours a day or forty hours a week. Employees earning from \$351 to \$499 a month are paid 2½% of their monthly salary for each eight hours a day they may be scheduled to work beyond the regular 40-hour week.

Company No. 5—Shoes

At the end of 1941, an "adjustment check" was paid to each exempt employee who had worked overtime during the year. The size of this check depended partly on the amount of overtime work. It is expected that a similar practice will prevail this year.

In discussing this problem with executives, we have found that in a number of companies the practice of paying exempt supervisors straight time for scheduled overtime has proved satisfactory as an emergency measure.

Shift Rotation

Question: We are planning a multiple-shift manufacturing schedule and wonder whether it would be advisable to rotate personnel on the shifts or maintain a fixed schedule. What is the prevailing practice today in this respect? When shifts are rotated how often are they changed? What are some advantages of rotation?

Answer: One hundred and eighty-two companies

cooperating in a recent CONFERENCE BOARD survey¹ on shift practice provided answers to the first two questions as follows:

In 120 companies, shift-period assignments are permanent, in fifty the shifts are rotated, and in twelve companies one policy is followed in some departments and the other policy in other departments.

In one-half of the fifty companies that follow the plan of rotating personnel, the change is made weekly; in 24%, the practice varies among departments; in 19%, bi-weekly; and in 7%, monthly.

In a recent article on shift operation in the Metropolitan Life Insurance Company publication, "Executives Service Bulletin," Mr. Henry W. Johnstone, Vice President in charge of Operations, Merck and Company, describes some of the advantages of shift rotation as it applies in his company's continuous-operation schedule in the manufacture of pharmaceuticals. Advantages mentioned including the following:

1. All employees work the same number of "deadman's" shifts.
2. Every employee has an opportunity to see something of the entire supervisory force, particularly department heads.
3. Employees have an equal opportunity to meet and deal with staff personnel.
4. Rotation maintains morale and good-will of the workers.

¹*Studies in Personnel Policy*, No. 40, "Shift Practice in War Industry"

Chronology of Events Affecting Labor Relations, June 1 to June 30

June

- 2 *Race Conflict Stops Production*—Refusal of 350 employees of Dodge Truck Division, Chrysler Corporation, to work with negroes on war jobs makes 3,000 war workers idle. Difficulty eventually solved when union takes firm stand that colored labor must be accepted.

Picket Line Often a Racket, Says Labor Leader—President of International Brotherhood of Teamsters states in article that many picket lines are nothing more than organizing rackets, warning members of union that they must cross them unless ordered not to by international union.

- 3 *House Criticizes NLRB*—In sending supply bill containing NLRB funds for next fiscal year to House floor, the Appropriations Committee expresses hope that in the use of the funds Congress will not again be confronted with "disregard of the direct mandate of Congress by this agency."

- 4 *Court Restores Union Charter*—New York Supreme Court restores charter of local of Chemical Workers Union,

affiliated with UMW, on ground that revocation of charter was illegal since local received no prior notice and no opportunity to be heard.

Jurisdictional Picketing Enjoined—New York Court of Appeals votes 4 to 3 to sustain injunction, pending trial, against picketing of 12 retail shoe stores in New York in jurisdictional dispute between AFL and CIO on ground that no labor dispute exists.

- 6 *Some Locals Bolt UMW*—Group of UMW locals establishes national council of gas, coke and chemical workers as independent union seeking CIO charter. This is one move in conflict between Philip Murray and John L. Lewis.

- 8 *"Work or Fight" Warning Ends Strike*—Strike of Federal Engineering Company making aircraft precision tools ends when Army officer offers choice of working on war production or having occupational deferment cancelled.

Supreme Court Rules on Overtime—United States Supreme Court holds that Wage-Hour requirement of time-and-one-half pay for overtime after 40 hours per week means

150% of an employee's regular pay rate, not 150% of the Act's minimum pay provisions.

It further upheld, in case of A. H. Belo Corporation, a system by which an employer contracted to pay his employees a fixed sum each week, the amount being designed to cover overtime at the statutory time-and-one-half rate, but the fixed sum to be paid for either a regular or an overtime week.

Job "Freezing" Tabled—The Labor-Management Policy Committee of the War Manpower Commission tables proposed directive which would freeze war workers to their jobs to stop pirating of labor by companies offering higher wages.

- 12 *WLB Rejects Wage Freezing*—In Ranger Aircraft case, WLB states that wage stabilization cannot be accomplished by freezing existing rates. The decision proceeds to grant wage increases to bring earnings of company's employees to the level of wages paid in comparable plants and on comparable jobs.

Strikers Get Ultimatum—125 strikers in Fall River textile mill are served notice by WLB to return immediately to jobs or forfeit them. Strike had been repudiated by CIO-United Textile Workers and by American Federation of Textile Operatives, an independent union to which majority of strikers belong.

- 14 *Overtime Decision Limited in Scope*—Federal Wage-Hour Administrator warns employers that it takes limited view of the applicability of Belo decision. He stated that high court had ruled on "a particular state of facts" and that considerable litigation would be necessary before boundaries of the decision were fixed.

Union Reports Financial Status—David Dubinsky, President of International Ladies Garment Workers Union, reporting on ten years' accomplishment by union, points out that membership has increased from 40,000 to 310,000 and union has progressed from a \$2 million deficit to present balance of \$9 million.

- 15 *Replacements Sought for Strikers*—Fall River office of United States Employment Service begins using "every resource possible" to recruit workers to replace striking textile workers, on instructions from Washington.

WPB Sets Up Awards—Announcement is made by WPB of a system of awards, certificates and citations for American workers of outstanding merit. The system includes an "award of individual production merit," a "certificate of individual production merit," and a "citation of individual production merit." Mr. Nelson explains that the awards had been designed so that the "production soldier," like members of the armed forces, could be recognized for meritorious service to his country.

- 17 *Stabilization of Aircraft Wages Sought*—WPB calls conference for July 6 to explore possibilities of wage stabilization within aircraft industry.

- 20 *Tires for War Workers*—OPM approves purchase by war workers of second grade tires, provided need for them is certified by special rationing committees to be established in all war plants employing more than 100 workers. These committees, made up of labor and management members, in addition to rationing tires would make certain that the employee's automobile was being used in a transportation pool to carry other workers to and from work.

- 22 *Stores Close in Picketing Protest*—All stores in Chester, Illinois, close in protest over picketing of a grocery store by members of AFL clerks' union. Union submitted contract including closed shop clause, which the management refused. Merchants association head maintains stores will remain closed as long as picketing continues.

WLB Jurisdiction Challenged—Montgomery Ward files statement with WLB maintaining Board has no jurisdiction over dispute with its employees since the company is not engaged in war work. Statement also questions legality of closed shop unless it is voluntarily agreed to by employer.

- 24 *New Draft Law Approved*—President signs act providing for service men's allowances and allotments, and setting up special dependency classes for deferment in order "not to break up the institution of the home."

- 26 *Plant Protection Union Certified*—National Labor Relations Board certifies union of plant protection employees in the Fisher Body, Lansing Division, since it had been selected by a majority of those voting. Designation of collective bargaining agency for plant protection employees had been protested by employers and by Army and Navy officials.

- 30 *WLB Claims Wide Jurisdiction*—In Montgomery Ward case, WLB accepts finding of panel that it possesses jurisdiction that is broad and sweeping and has authority to consider as a "major dispute" any controversy which directly concerns a large number of workers or affects daily lives of a large number of people.

Court Holds NLRB Biased—United States Circuit Court, in case involving Southern Bell Telephone Company, holds that NLRB had abused discretion confided in it and permitted itself to be enlisted as accuser by labor union of national scope in its organizational campaign. Board's order for disestablishment of an employees' association was vacated unanimously by the three-judge court.